

John Ingram: tall and steeled for expansion

by Tony Noble

WHEN John Ingram, managing director of New Zealand Steel, gets up from behind his desk he just keeps on going. . . until he reaches his full height around 6ft 5in. An appropriate size for the man at the top of one of the crown of National's now-shaky "Think Big" strategy.

With Aramona smelter plans tarnished by the withdrawal of Alusuisse, New Zealand Steel got the Government green light to take the first \$450 million step in an expansion programme due to cost at least \$800 million — in today's dollars.

Ingram exudes confidence as he launches into a summary of the benefits he expects the company to gain from the new programme.

By 1986, with both stages complete, plant output of steel is planned to increase from today's 150,000 tonnes to 750,000 tonnes, 30 per cent of the output will be exported and the remainder will satisfy 75 to 80 per cent of the domestic market.

Employment at the Glenbrook plant is expected to double to about 2600. And a total of 4000 jobs — including coal field employment and other spin-off jobs — will almost certainly be created, regardless of political uncertainties surrounding other more controversial major projects.

Shareholders, too, should benefit. As Ingram explains, the existing plant is not highly efficient. "Our refining costs are quite high at the moment, but will come down considerably with the new plant. Right now we are competing with the other big steelmakers on international markets, but we could not yet claim to match Japanese or Australian costs."

"When the new plant comes on-line, with the patented improvements in the iron sand to steel process, we expect to be able to make steel for about the same cost as the Japanese," he said.

If this does happen, then the profitability of the company must increase, although Ingram is cagey about predicting the level of any future dividends. "This is a matter for the board, but I can say that the object will be to hold dividends in real terms. And on the completion of the expansion earnings in real terms will grow."

The company's future profitability must also be measured against the financial burden of the \$800 million expansion. Here, too, the company is in a favourable position. A separate company — the New Zealand Steel Development Company — will finance, and initially own, the expansion. This company will be owned 60 per cent by the Government and 40 per cent by New Zealand Steel.

Once the expansions are completed by the development company they will be leased back to New Zealand Steel. Later, the development company will be wound up, the assets taken over by New Zealand Steel — at cost — and the Government rewarded in a way which Ingram prefers should remain confidential until shareholders have been informed.

One question mark hanging over the future profitability of the company arises from the present depressed state of the world steel market. Critics of the company's expansion question the wisdom of expanding

an industry with uncertain long-term prospects. Ingram dismisses these critics.

"I have just come back from the International Iron and Steel Institute's meeting in Toronto where representatives of the industry from all over the world give their prognoses of the future. The current world steel making capacity is known, and the expected growth in demand is predicted at 1½ to 2 per cent over the next five or six years."

behind and becoming established in the eyes of investors firmly in the blue chip category.

A source of obvious satisfaction for Ingram who says he took the top job at New Zealand Steel more than 10 years ago for mainly idealistic reasons: "I felt I could make a bigger contribution to the nation by coming here — but I don't want to overplay that. At the time it was just getting under way and there was no op-

portunity to put my own stamp on the company's development."

Cramped to a black leather chair, his tall frame and down-to-earth manner suggest the practical man rather than the top echelon corporate administrator. Perfectly at home explaining his company, he is diffident about discussing himself and his background.

"My father began as a locomotive driver with New Zealand Railways, but later became a respected business man in Nelson, owning an engineering firm and later a motor dealership. I went to Nelson College, left to join the Air Force as a flight mechanic and fitter during World War II, and afterwards went to Canterbury University where I gained a degree in mechanical engineering."

"I then joined the Ministry of Works, working on hydro projects, and in 1952 went with my wife to Australia to join

Boving and Co ANZ Proprietary Ltd as an assistant engineer."

It was here that Ingram gained his experience in working on large construction projects such as the Snowy River hydro development. His work for Boving also took him overseas to Europe and Scandinavia.

In the mid-1950s he became managing director of Boving and held that position until his return to New Zealand in 1962.

consensus management is a bit of a hackneyed term, but we discuss problems and solve them mutually. I have a management committee and each member contributes his own special skills."

Industrial troubles at New Zealand Steel are not unheard of, but Ingram pushes the concept of New Zealand Steel as a fair employer — an image that will be vital to attract workers to staff the new expansion.



local resources, are prepared to live under a CER situation with Australia following the completion of the expanded works, and because we will be an industrial base we will further aid the export of New Zealand goods and the growth of local industry.

"New Zealand Steel began under a Labour Government and I am confident they would see the project as being good for the nation."

Another sensitive topic is the past and present Government involvement in New Zealand Steel. The National Government has, over the years, gradually divested itself of the state holdings. Ingram is keen for the Government to have a stake in the company and regrets National's policy in this.

"I think the company would have preferred the Government to retain a degree of ownership. I think the formation of New Zealand Steel as a partnership between the Government and the people of New Zealand was an ideal way to get it going because we had the security that Government offered when launching the new technology, but we also had the discipline of reporting to the public."

A quick glance at the history of iron sand exploitation in New Zealand — a succession of illusory successes and technological failures — lends understanding to the company's desire to have the back-up of Government support.

The potential of the sand was quickly recognised by the early European settlers, but all the early attempts to smelt the sand using blast furnace technology failed. The high titanium content of the sand melted into a sticky viscous substance that choked the furnace.

The first real breakthrough came with the development overseas of the direct reduction process — the iron is removed from the sand without being melted.

In 1959, to exploit this process, the then Labour Government set up the New Zealand Steel Investigating Company. Woolf Fisher was appointed chairman of the company which worked closely with the DSIR and other consultants to produce a report. This report resulted in the formation of New Zealand Steel in 1965 with a public shareholding of 51 per cent, the remainder held by the Government.

Glenbrook, near Waiuku, south of Auckland, was chosen as the site for the mill, and Walkato North Head as the source of iron sand.

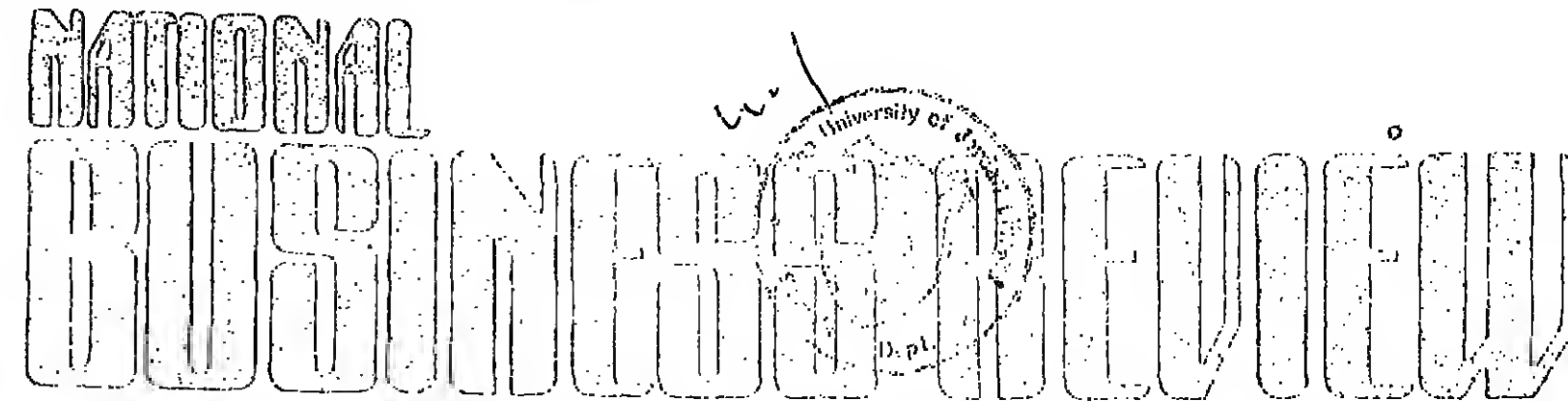
In March 1970 the plant began to produce commercial quantities of steel. But, as Ingram recalls, not without problems. First production runs were a "real disaster".

But the company persevered. "We have always had to be innovative. Fortunately, right from the time of Woolf Fisher we have had a policy of hiring the best research people. Today we have six PhDs on the staff and have refined the direct reduction process to the point where it works efficiently."

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Laid-off workers meat in Gear pay-off sandwich

by Ann Taylor

THOUSANDS of meat workers' claims for redundancy over the next few years may be lost all hope of more generous pay-offs if the current standard in the Gear Meat wage inquiry, the Government to be sweeping new industrial power for the future.

Meat Workers' Union leaders are preparing — and setting aside funds — for a major confrontation with the company that closed the Gear works in 1976, to secure redundancy payments at a level acceptable to the workers.

Any payout formula forced out of Gear's management

would be a precedent for the the ads of other meat workers' claims for redundancy over the next few years may be lost all hope of more generous pay-offs if the current standard in the Gear Meat wage inquiry, the Government to be sweeping new industrial power for the future.

But any union move to evaluate the decision into national stoppages is regarded as an invitation to the Government to test its newly acquired power to order compulsory arbitration and a return to work under industrial legislation passed in the last days of this year's parliamentary session.

The legislation strips the Government with powers to put an end to disputes in what are deemed "essential industries".

But the union feel it cannot stand aside on the Gear issue; the company is claiming its cupboard is totally bare.

It is a no-win situation for the

Meat Workers' Union. Whatever support it can get for Gear workers from other meat workers' claims for redundancy over the next few years may be lost all hope of more generous pay-offs if the current standard in the Gear Meat wage inquiry, the Government to be sweeping new industrial power for the future.

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and the ensuing electoral backlash then lend credence to suggestions that the meat industry would be a politically suitable arena in which the Government could test its new powers.

And that leaves the 500 men caught by the sudden meat plant closure in the classically unenviable situation — the meat in the sandwich.

Details Page 11

Poly goes to IPM

by Stephen Bell

PRIME Minister Rob Muldoon may be forced to intervene in the computer industry's bitter "private versus state enterprise" test case.

Lobbying over the Development Finance Corporation-backed Poly school computer system is now going straight to the top. At least two representations, one neutral, one emphatically anti-Poly, have gone to the Prime Minister's Department.

Sources close to the Poly debate suggest Muldoon is developing an interest in the argument, which has so far been confined in Education Department, DFC and State Services Commission level.

Details Page 3

Taranaki cries poor

by Ann Taylor

TARANAKI — the host of "nationally important" petrochemical developments — has not enjoyed the resources to comply with National Development Act requirements, but was blessed in the synthetic gas plant in Planning Tribunal decision.

"We have not had the financial or professional resources to enable us to respond properly to demands of major developments," said New Plymouth town clerk Kingsley Sampson.

"Our problem is rapidly being understood and we are getting help from central government," he said.

But there was little sympathy from the Planning Tribunal, bearing the Synthetic Fuels Corporation case to build a synthetic petrol plant at Motonui to North Taranaki.

"The Taranaki United Council does not have a regional planning scheme" and there is "a lack of any regional strategy," says Judge Treadwell's decision.

"Scant regard" was given in its evidence to "the balancing

of resource usage in the Taranaki area."

And "there was no regional policy in respect of coastal marine resources, coastal environment and areas of importance to the Maori people," says the decision.

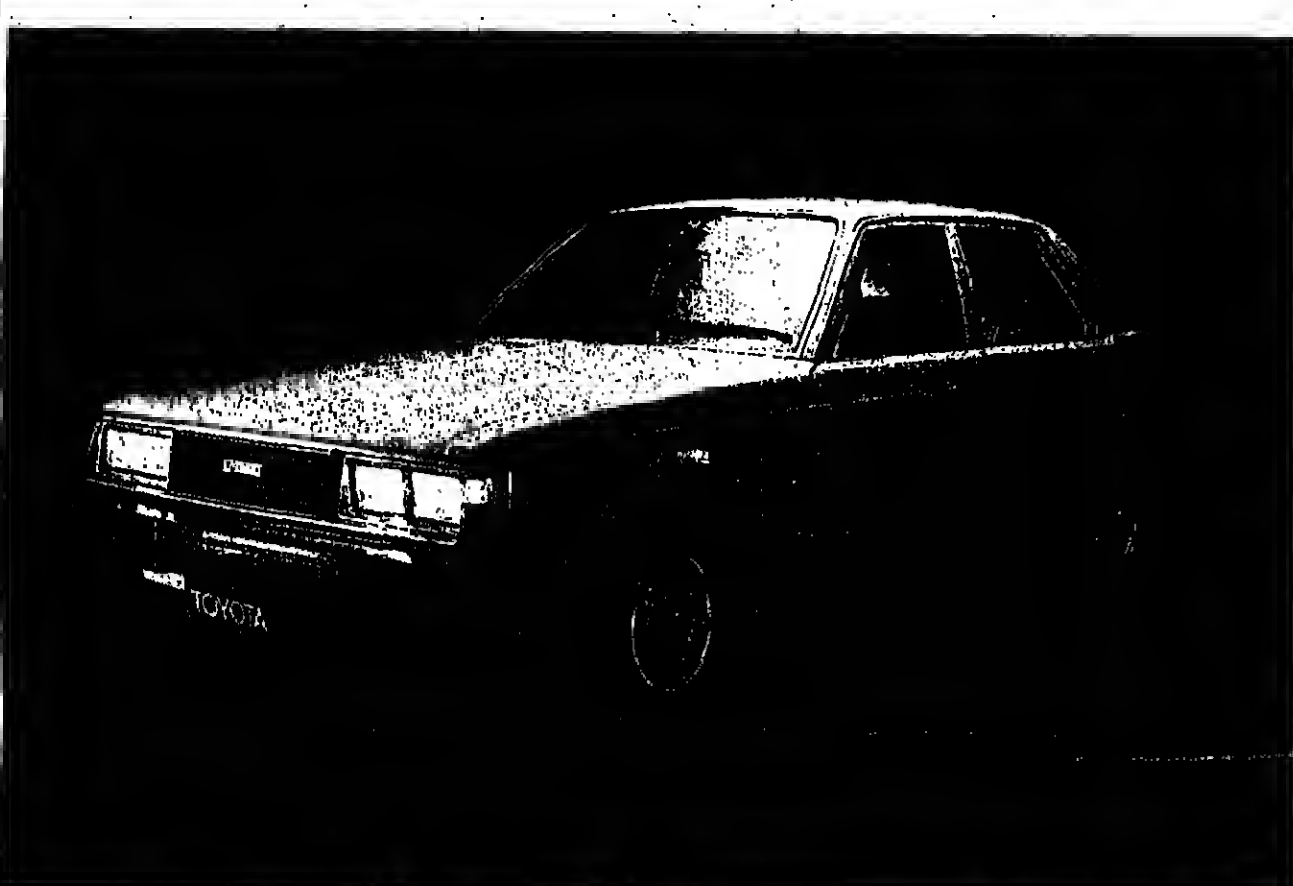
Sampson said the Taranaki problem was that suddenly a very new regional authority with limited resources had found itself tied up with National Development Act applications.

The united council cannot tax direct but applies a levy on its constituent members. It cannot employ staff direct but is serviced by an administering authority — the New Plymouth City Council.

"We have expected our city planning officer to also undertake regional planning," said Sampson.

The planning division of the three-year-old united council has a vote of \$25,000 a year. Specific help given by central government has been the funding of a study on housing needs in the area and a report on infrastructure needs. (See story Page 17.)

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"Although this is a pretty low growth figure, by the latter half of this decade over 90 per cent of the world's steel making capacity will be taken up. At this point you get imbalances in the supply and demand situation and you get price pressure."

"Another important thing to remember is that many overseas steel plants are old and have been operating at less than full capacity for some time. One German I talked to at the conference said that although they have a capacity to make 65 million tonnes of steel a year, they would now have a struggle to make 50 million tonnes — the plant has not been maintained and staff have been shed."

"Even in the Pacific Basin our production is just a drop in the bucket — markets are not a problem now and I don't think they will be in the future."

Right now problems for New Zealand Steel seem to belong to the past. The company is leaving its risky, pioneering image

portunity to put my own stamp on the company's development."

Cramped to a black leather chair, his tall frame and down-to-earth manner suggest the practical man rather than the top echelon corporate administrator. Perfectly at home explaining his company, he is diffident about discussing himself and his background.

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"I then joined the Ministry of Works, working on hydro projects, and in 1952 went with my wife to Australia to join

He then joined Cable Price Corporation as chief engineer, but in the same year was promoted to managing director.

"A rapid promotion, he explains as "a natural progression really. It's something that evolves. You get involved in design and construction — you like the work — you know more about it than others coming in — more people join — you start to manage them."

In 1969 Ingram left Cable Price to take up the top job at New Zealand Steel, a company which under Woolf Fisher had a tradition of innovation and a team approach to problem-solving — traditions which Ingram has fostered.

Although he has no formal management training, he feels that an engineer's background adapts well to management — "It's easier for an engineer to become a manager than vice-versa."

"I have got some very good officers working for me —

"We are not running a holiday camp," he says, "but we are proud of our record as an employer and have a very low level of staff turnover compared to the industry average. We have staff superannuation, apprentice training schemes and assist our workers with housing finance."

He doesn't feel that any special measures will be needed to attract the new workforce — "the job will be enough."

Ingram shies away from discussing politics. "I'm apolitical," he says. "Things are going ahead very quickly. I wouldn't like to see a long hiatus. The resources we are going to apply, and our consultants are going to apply, are very expensive."

"But I would hope we could persuade any new government we have got to go ahead in the interests of the nation. After all, we fill all the criteria: we are New Zealand owned, will provide a large number of jobs, use

PM jumps gun — Navy doesn't feel like saluting

by Warren Berryman

RON Muldoon's pre-election politicking in marginal and unemployment stricken Whangarei — an authoritative up that the city's major employer, Whangarei Engineering and Construction Ltd (WECO), would win a \$10.5 million Navy supply contract — has upset Navy negotiators. They claim their normal contract evaluation and cost cutting procedures have been pre-empted by the Prime Minister.

Muldoon's announcement raised cheers from a meeting of Whangarei electors.

WECO, which put in its bid to build the four Navy coastal training boats only three days before Muldoon's announcement, first learned it had won the contract from the Prime Minister.

Muldoon's press secretary, Brian Lockstone, said the Prime Minister had been advised by the Secretary of Defence before making the announcement. But it appears this advice had not filtered down through the ranks to the Navy's technical services division whose task it is to evaluate bids and negotiate a price.

The head of this division, Captain Neil Walker, said the first he'd heard of WECO's success was from reporters inquiring about Muldoon's announcement.

"I've been put in a very awkward position," he said. "We are still negotiating with a company which Mr Muldoon has told us has got the contract. We haven't signed a contract yet. We haven't had time to evaluate the bid yet. There was only one bid and no comparison of tenders, so we have

to negotiate a tender price and take it to the Cabinet Works Committee."

"I was gazzumped by one of my political masters," he said. A Cabinet decision restricted the Navy's tender to New Zealand boatbuilders only. The Navy advertised the tender in the local press some months before the election and sent special notices to all major boatbuilders.

Five boatbuilders expressed further interest, three of them up to the tendering stage. But only WECO put in its bid the day the tender closed.

Neil said normal procedure called for a month's evaluation of the bid during which time a final price was negotiated. This was then sent to the Cabinet Works Committee for approval.

Asked if the Navy felt it was being put over a barrel by a

single tenderer with which it could not negotiate a "reasonable price", Neil said the Navy retained the option to go back to Government asking for another tender to be opened to a wider group of competitors.

The contract will provide a welcome lullup to WECO and its 230 employees. With no forward boat orders on the books and not a single boat in its yard since the \$2 million Ministry of Agriculture and Fisheries research vessel Kaharoa was delivered two months ago, WECO was faced with the grim prospect of laying off between 50 and 60 staff.

WECO's managing director, John Monk, said that while he was delighted with Muldoon's announcement it had created some friction between his company and the Navy.

"We haven't signed a con-

tract yet. We haven't even got a letter of intent from the Navy yet. Before we do it has to go through the Cabinet Works Committee," he said.

After Muldoon's announcement, Monk said: "We thought there would be no higgling around. But you know the Navy."

"Why wasn't WECO told it had won the tender before Muldoon told the public at large?" NBR asked.

"Well he used it of course, as an election . . . or . . . to push along the election," Monk said, adding that this contract was originally intended back in March but delayed for the election.

"John Banks (the National Party candidate) has been doing a lot of work on this," Monk said. "I think it was him pushing Mr Muldoon and that it was him pushing that helped us along. He did a good job."

"Three weeks prior to the announcement we were down talking to Government telling them how desperate we were at that stage."

"I don't know what will happen if Mr Muldoon doesn't get all his seats. They might take it (the contract) back again," Monk said.

Monk said had "the normal procedure" been followed "the Navy would have come back to us and tried to negotiate the price down."

Neil made it clear the Navy had nothing against WECO's boats. WECO previously built three in-shore supply boats almost identical to the boats contracted for, and these were quite satisfactory, he said.

The rub for the Navy lay in the Prime Minister's announcement coming as it did before an evaluation of the bid had been made and a price negotiated, thus weakening the Navy's bargaining strength.

Nevertheless, both Monk and Neil said they expected the contract to be signed in the near future.

Monk said the Navy contract, if it tied in with hoped-for off-shore oil exploration supply boats, might help WECO to expand its staff from 230 to 300 people.

WECO has been bidding overseas markets for contracts to build these supply boats. Monk said the company signed some 100 Navy contracts, he said, and he was a backstop to this work.

Week that was

PARLIED unemployed action special work schemes resulted in 17,100 more than the same period last year. Labour Minister Jim Rogers said the figures were boosted by 12,000 extra students seeking holiday employment.

FOREIGN Affairs Minister Sir Toller made a direct approach to French Government over respect of human rights in Cambodia.

NEW chairman of Air New Zealand, Sir Peter Duns, said the airline was not in a position to immediately set a new price for its new appointees to the board.

MOHAT managing director, Bill Ford, said the company had been told by the Ministry of Energy that it was not to be considered for a new power plant.

THE Combined State Teachers' Union and the Education Department resolved the state pay dispute.

Week to be

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TUESDAY: Sanford LA 404.

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'Even reproduced on Cowan's Fine Art Paper this hat would still look like a bird's nest!'



THE MAN WITH A FUR CAP. Etching of 1951.

by Warren Berryman

WHILE wine prices rocket, a marketing miscalculation and collapsed export orders to international airlines have brought the price of two award-winning wines down to \$1.20 a bottle.

There's no catch to this present Christmas bargain boon to the oenophiles. The wine comes in a quarter bottle hand-grenade-

shaped "vini carafes" topped with plastic wine glasses designed for airlines.

The white Selak's dry Riesling, is selling for 30 cents a quarter bottle — equivalent to \$1.20 a bottle. The same wine bought by the bottle costs \$4.98.

The red, Babich's Pinotage Cabernet, sells for 50c, equivalent to \$2 a bottle (versus about \$4 when bought by the full 750 ml bottle).

Judging from the half bedroom full of cases of vini carafes found in the house of a high living Auckland chemist the cut-rate prices must be moving stocks.

After all, Babich's 1977 vintage of pinotage Cabernet won the Air New Zealand export trophy after 700 cases were shipped to West Germany and the 1978 vintage disappeared from the market into the vini carafes. Selak's dry Riesling is also considered one of our better whites — sold by the full

branch secretary Ken Findlay. Gear's union officials, who have relocated themselves at the Labour Party's rooms in Lower Hutt, have collected, from the 66 meat workers on the site at closedown, a holding fund, currently standing at \$53,000. The contributions came out of redundancy pay and superannuation contributions the National Provident Fund returned to the workers

when the plant closed. The holding fund is "to make it clear to the company that we do not accept the formula already paid out. We didn't want the situation where the company could say, 'look we paid them redundancy and they're quite happy,'" a union official said.

Redundancy payments already made were calculated on the 2 per cent of the year's ear-

ning, multiplied by the number of years work formula set out as a guideline in the Wages Adjustment Regulations.

The union also has a fighting fund of \$31,000 which has been held in reserve since the six-week dispute at Gear last year.

Meanwhile, the scenario painted in NBR two weeks ago that union officials let Gear

Meat go to the wall so that Northwicks could get an additional stock throughput of half a million stock at Longburn has been punctured.

Increased productivity to justify the five days pay for four days work agreement sought by the company and union needs extra stock throughput but the suggestion of union manipulation has been punctured by the company's decision not to proceed with its plans for introducing new technology.

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A loaf of bread, a hand grenade of red, and . . .

by Ann Taylor

GEAR meat workers thrown out of jobs by the closedown of the Petone works cannot expect any quick resolution of their redundancy entitlements — and the company-union deadlock promises a lean Christmas for them.

Hawkes Bay Farmer Freezing Company, which owns Gear, maintains that all shareholders equity in the plant, which lost \$4.9 million last year, has gone. Five million dollar share capital was put into the plant and that has been lost.

The company feels there is "no justice" in paying the workers redundancy, according to a spokesman.

"They've done the damage and then expect to be paid for it," is the company's line, according to the spokesman.

The company has done a redundancy exercise based on four years pay, plus one and a half years pay for each years ser-

vice ("4, 1 1/2") plus accumulated sick pay and reckons it would cost about \$3.2 million.

The Meat Workers Union claimed in negotiations last week for that plus a relocation allowance and payment of \$100 a man to the Wellington Trades Council to support bona fide unemployment centres. The union also figures on a cost of about \$2 million or \$3 million about its claims were described as "extravagant" by the company.

The Meat Workers Union point to Gear's Dannevirke meat processing plant which closed this year. Redundancy there was settled on a "4, 1 1/2" agreement. Westfield laid off more than 100 workers earlier this year and paid redundancy on a "4, 2" formula.

"We're only asking for the going rate," said West Coast

branch secretary Ken Findlay. Gear's union officials, who have relocated themselves at the Labour Party's rooms in Lower Hutt, have collected, from the 66 meat workers on the site at closedown, a holding fund, currently standing at \$53,000. The contributions came out of redundancy pay and superannuation contributions the National Provident Fund returned to the workers

when the plant closed. The holding fund is "to make it clear to the company that we do not accept the formula already paid out. We didn't want the situation where the company could say, 'look we paid them redundancy and they're quite happy,'" a union official said.

Redundancy payments already made were calculated on the 2 per cent of the year's ear-

ning, multiplied by the number of years work formula set out as a guideline in the Wages Adjustment Regulations.

The union also has a fighting fund of \$31,000 which has been held in reserve since the six-week dispute at Gear last year.

Meanwhile, the scenario painted in NBR two weeks ago that union officials let Gear

Meat go to the wall so that Northwicks could get an additional stock throughput of half a million stock at Longburn has been punctured.

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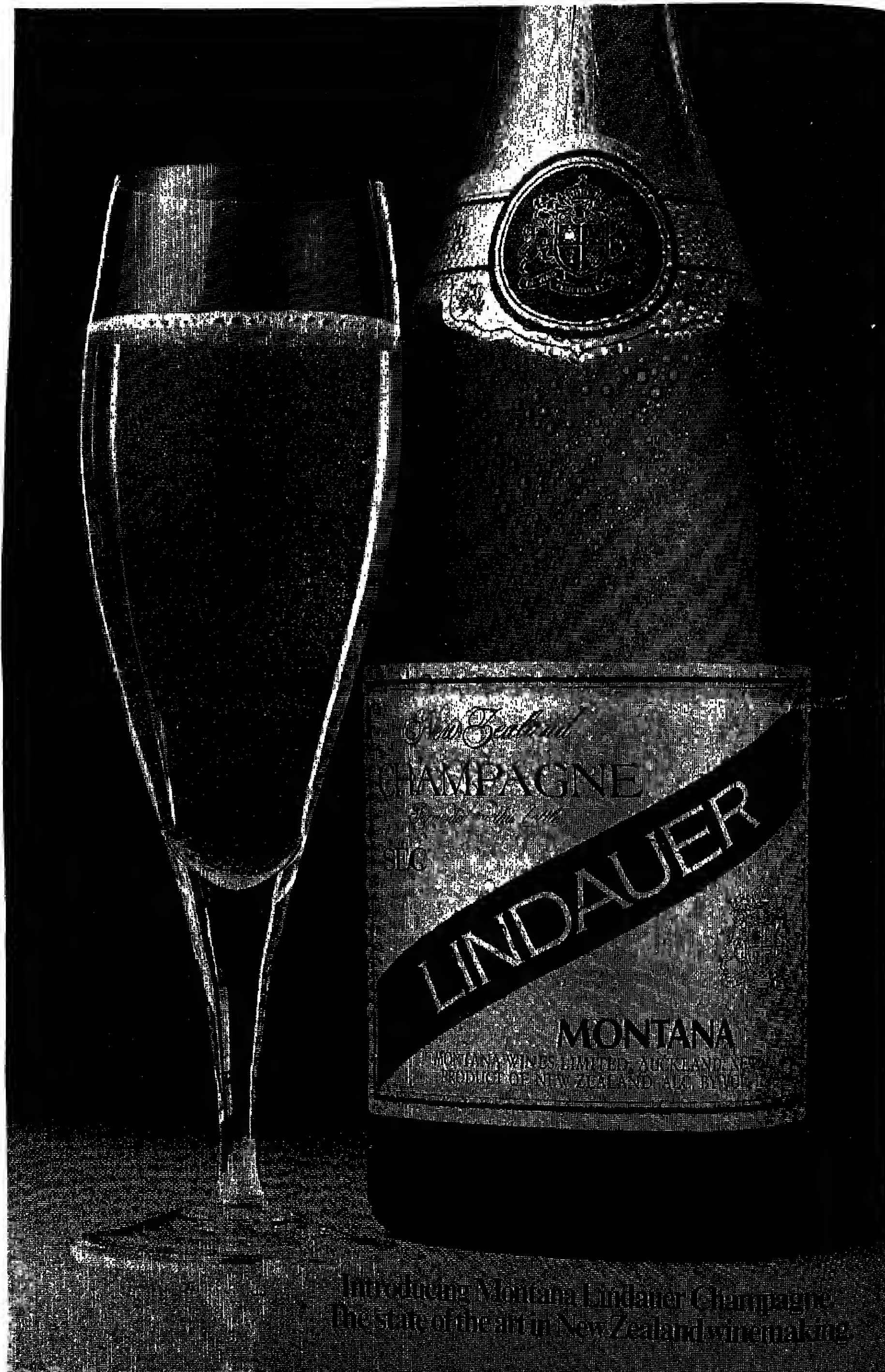
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The week

Campaign flights — all up in the air

by Richard Fletcher
CABINET Ministers used Civil Aviation Division or Air Force aircraft during the election campaign — but whether the taxpayer provided their travel for "campaigning" in the strict sense of the word apparently is a debatable point.

Prime ministerial press secretary Brian Lockstone said Rob Muldoon used Air Force planes on two occasions during the campaign. It was established practice for him to use them, Lockstone said.

To call it "campaigning", would probably be splitting

hairs, he added. The practice had been common for Prime Ministers since Walter Nash's day, Lockstone claimed. Opposition Leader Bill Rowling's press secretary, Eleanor Roy, said the Labour entourage travelled by commercial flights except on two occasions, when the party hired private planes.

But the Leader of the Opposition has the same privileged access to Air Force planes as cabinet ministers.

When a minister wants to use an Air Force or Civil Aviation Division plane, a request is made to the Prime Minister's

office and the Defence Department.

Planes are made available when, to quote an Air Force spokesman: "There are no suitable civil aircraft available."

The spokesman said that during the campaign, the Air Force had provided only the normal ministerial flights, and some ministers had been on very tight programmes.

The Prime Minister, he said, normally travelled on civil flights.

The Air Force did not decide who should accompany mini-

sters on these flights.

That was the prerogative of the particular minister and was referred to the Prime Minister.

The Air Force's job was to find an appropriate plane to carry the numbers involved in a flight.

Several people around Parliament share the view that ministers' trips, in the usual course of business, might be regarded as "campaigning" during an election.

Several examples were cited, but generally these sources considered they were borderline rather than clear-cut cases.



Rob Muldoon... has access to real planes.

'Dormant' voters not woken up to their rights?

by Warren Berryman and Richard Fletcher

EIGHT days before the general election the Post Office's chief registrar of electors allowed electors not on the rolls to find out if their special vote was likely to be counted or not — but the public was not informed of the change in policy.

Anyone who had failed to enrol was able on election day to cast a special vote. But he could not be certain his special vote would be counted.

Thus, on November 28, for many thousands it was a choice of sleep in, go fishing, or go to the polls and cast a ballot not knowing whether it would count toward the final result.

To clean up the shambles of the 1978 rolls, re-enrolment cards were sent out last year. Those who re-enrolled went on the main and supplementary

political parties, the letter said. Palmer took this letter to the media. No one published it.

And the Registrar of Electors did not enlighten the public as to the rule change — in marked contrast to the year long advertising campaign mounted to get people re-enrolled and "make your good name count."

But a Justice Department lawyer specialising in electoral matters, Andrew Wright, told NBR there was no public statement on the wider question of special votes for anyone not on the revised roll, even though the law did allow for them.

The Justice Department's chief electoral officer, Peter Horne, said the question had arisen — in part — after the issuing of writs and closing of both main and supplementary rolls. It was pointed out that New Zealand citizens or residents who had returned

or abstain would have been affected had he been able to find out if he was on the dormant file. He pointed to the high 90

per cent turnout on election day and the inordinately large volume of special votes.

McLay said that everyone

had more than ample opportunity to enrol, although there might always be some who did not receive re-enrolment cards

before November 28 and just assumed themselves on the rolls as they had been for past elections.

Application for registration as a Parliamentary elector

First read carefully the information for electors printed on this card.

Then if you are qualified to register complete and sign this application.

Application form... some missed out.

rolls. Those on the old rolls who failed to re-enrol went on a dormant file.

Electors not on the 1981 rolls, but otherwise eligible to vote could cast a special vote and have it counted if their name appeared on the dormant file. But up to a week before the election no publicity was given this aspect.

Jack Palmer, a Labour Party delegate for East Coast Bays and strong advocate of a "de-politicised" electoral administration, had been pressing electoral officials — both Justice Department and Post Office — to make these dormant files public.

On November 20, he received a letter from the electoral roll control centre of the New Zealand Post Office saying: "In line with a majority recommendation of the parliamentary select committee the section provides that the dormant file held by each registrar is not open for public inspection."

"Balanced against this general rule must be the fact that an elector who has failed in his legal duty to enrol should, nevertheless, not be prohibited from determining whether or not he may be otherwise qualified to vote at the forthcoming election. Accordingly, all registrars will be instructed to inform an applicant upon request."

This information, while available to individuals, would not be made available to

from overseas after writ day were legally entitled to vote.

To cover those people registered on the roll for the 1978 election who had not specifically re-enrolled, the 1980 amendment to the Electoral Act which provided for the past year's complete roll revision also provided for the dormant file.

The only change the amendment made in the law was that the dormant file could be sufficient evidence of entitlement to vote.

The Justice Department lawyer understood that, while a copy of the file was not generally available to the public, political party scrutineers might have been able to check special votes against the dormant file — but this would only have applied after election day; there was no provision for scrutineers to see the file beforehand. This was confirmed by Tom Beck, a Post Office official involved in the compiling of the new rolls.

The "dormant file", Beck said, was the 1978 roll the Post Office inherited from the Justice Department before it started compiling the 1981 rolls from scratch.

Beck said scrutineers, as they were bound by secrecy rules, had free access to electoral information which did include the dormant file.

Justice Minister Jim McLay said he doubted whether any elector's decision either to vote

or abstain would have been affected had he been able to find out if he was on the dormant file. He pointed to the high 90

per cent turnout on election day and the inordinately large volume of special votes.

McLay said that everyone

had more than ample opportunity to enrol, although there might always be some who did not receive re-enrolment cards

before November 28 and just assumed themselves on the rolls as they had been for past elections.



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Editorial

IN an increasingly interdependent democratic society, there is a need for a system of public administration which encourages consultation and acknowledges the benefits which flow from dissent and the resultant debate. But the attitude of our public service is reflected in the advice which the DSIR tendered its scientists a few years ago: the responsibility of staff was not to the people of New Zealand, but to the Government, their employers.

Because it is absurd to think that scientists — indeed, any professionals — will all agree on a particular viewpoint, the obvious intention was to keep the public ignorant of expert opinions which differed from Government policy and the facts on which they were based.

To underline this disdain for the public's right to know what is being undertaken in their name, an official told the Royal Commission on nuclear power that it was better for the public to be kept ignorant of some nuclear problems. "Some things are best made known in retrospect, after they have been put right," he insisted.

Like nuclear power, the Government's "Think Big strategy" involves no simple question of energy generation and usage. There are economic, social and ethical questions which belong in the public domain because the decision will have far-reaching implications for the kind of country our grandchildren will inherit. More-

over, the public are expected to underwrite the strategy. But information unofficially provided to the news media during the election campaign showed the nature of official doubts about some projects.

Whether such enlightenment served the public good seems immaterial to the State Services Commission, which last week told public servants it had been "acutely embarrassed" by the leaks. The SSC argued that it was almost certain those responsible had a political motive, and trundled out the alibi that, in the interests of good government, it was essential for public servants to retain political neutrality.

Our system of official secrecy — which requires Ministerial blessing for the release of information — was evolved in an era when the principle of ministerial responsibility could be put into practice. A constitutionally elected Government determined policy; the public servants executed it.

The reality today is that public servants are no longer mere agents carrying out policies laid down by Parliament and Cabinet. The role of giving assistance and advice to a Minister has enormously expanded, officials have become highly influential in shaping policy, and politics and administration are interdependent aspects of the same process. Public policy is being formed while it is being executed, and is being executed while it is being formed.

The administrator's responsibility, furthermore, goes far beyond mere neutrality. He has a duty of complete loyalty to his minister. As adviser to the minister and executor of Government policy in day-to-day administration, he is expected to do everything in his power to present the minister and his party in the best possible light. Thus we were presented with a number of glossy departmental publications before the election, all designed to show off the relevant Ministers' achievements.

The secrecy which results from this relationship between Minister and officials places a convenient moat around the bureaucratic fortress and makes comparatively comfortable the task of public administration. The standard of the administrators' service to the public good — the only justification for their protected role as public servants — is rarely subject to close external scrutiny.

The reforms promised by the Official Information Bill, rather than throw more light on the calibre of our public service, threatens to bring greater darkness. The bill would make information available unless there is a good reason to withhold it. It also specifies those "good" reasons, identifying — for example — matters of substantial economic interest, and the maintenance of traditional principles and conventions relating to advice to ministers

by public servants. Where there are disputes about access to information, the minister is given the right of veto.

The prohibitions would embrace the leaked information about the "Think Big" projects and more firmly formalise the need for secrecy in contrast to the Official Secrets Act which is an absurd that nobody takes it seriously.

And so once expert advice has been tendered to the politicians and rejected, we will be expected to accept that the public servant has discharged his or her duty and that the politician has exercised prudence. The politician supposedly will be responsible for the consequences of the decisions taken.

But the complexities of modern government demand something better. In an era of rapid technological change and increasing specialisation, only by opening up information channels can government be assured of the best possible advice and public confidence. If departmental advice is kept secret, the public cannot judge whether it was good or bad, and cannot know if the government should be praised or damned for rejecting it. Without the benefit of informed opinion in the community, a government cannot be judged fairly, and without discriminating judgment, we cannot hope to maintain a high standard of public administration.

— Bob Ellis

Election shows need to put a woman in Cabinet

by Judith Aitken

CAN the Government avoid putting a woman in Cabinet? Whatever happens over the next few weeks, there is undeniable electoral support for women MPs with feminist sympathies. This should be reflected in the appointment of a woman to Cabinet — however problematic that may be for young women MPs.

It seems clear that where women get through the powerfully resistant party filtering process, they are unequivocally endorsed by voters. There must be a message in there somewhere for male politicians and pundits alike.

In 1978, women represented 12 per cent of elected candidates put up by National, Labour and Social Credit. In 1981 the proportion was 14 per cent. In 1978, women MPs were only 1 per cent of successful parliamentary candidates. This year the proportion of women elected has risen to well over 8 per cent.

Labour women shared in the party's general success in the main urban centres. Of the party's 11 women candidates, one (Helen Clark, MP) was elected in Auckland, in her second election campaign. Two Wellington women were elected for Labour — Margaret Shields (Kaitake) and Fran Wylie (Wellington Central). In 1978, Shields' third campaign, and her second attempt at the highly vulnerable Kaitake seat. Wylie won office on her first foray into national politics.

In Christchurch two sitting women MPs were re-elected. Mary Bachelor (Avon) had been a recent voice for women in Parliament, though she did not have a high Labour Party profile during the election campaign. Her 19-year-old colleague, Ann Hercus, was presented with the party and the country as a high flier.

Along with other members of the Auckland group David Caygill and Paul Hare, she was nominated as a future cabinet minister and her election night victory was a significant confirmation of electoral support.

The sixth Labour woman elected was Whetu Patene-Sullivan (Southern Māori). Although she has not attracted attention in Auckland, in Parliament and during the campaign, she was a consistent and vocal supporter of feminist issues.

The other five Labour women candidates for Parliament had been placed in seats that could scarcely be described as hopeless for their party. However, in several cases they contributed well over 10 per cent of the total vote.

Neither of the two successful National Party women was running for a marginal seat. Marilyn Waring (Waikato) lost some support in her electorate, but she retained local power bases and was returned for a third time with a healthy majority. Ruth Richardson (Selwyn) took on her teeth in a 1978 campaign against a sitting cabinet minister and increased his margin by a large margin.

National Party managers placed their other two women candidates in urban seats where support for Labour seemed certain. They made predictably little impact, and in one case (Jenny Robinson, Wanganui) came in third after Social Credit.

Social Credit has little interest in women as candidates, despite its increasing electoral popularity and prearrangements in favour of wider political representation in Parliament. In 1975 only 15 per cent of Social Credit candidates were women; this year that proportion had fallen to only 7.6 per cent.

With the virtual disappearance of Values, women have a low useful avenue for gaining campaign experience. In 1978 more than 35 per cent of those campaigning for Values were women; in 1981 there were only two women among the handful of Values candidates. Other

minor parties offered very little scope this year, although Eve Rickard's performance for Mana Motuhake will not go unnoticed.

The 1978 and 1981 elections reinforce international evidence that where women are selected for winnable party seats, they appeal to voters, often gaining more support than their male colleagues.

Voters regard women as credible and acceptable party candidates. The problem is that party managers themselves do not recruit sufficient numbers of women as candidates, nor place them often enough in winnable seats, far anything like equity in the representative process. An 8 per cent showing in 1981 cannot be regarded as anything more than the start of a small swallow that could one day turn into a feminist summer.

The National Party, still dominant in general elections, remains highly resistant to pressure to encourage women into national politics. Although several 1981 candidates for National had overt feminist sympathies, probably only Waring can be counted on to be consistent in her preference for women's concerns over other party objectives. Richardson has already stated that for her the party comes first.

It is of concern to those looking for a wider reflection of social, economic and political differences in central government that National, in office for most of the past three decades, has selected only seven successful women MPs in that time. Labour's total of nine women MPs is scarcely more creditable — after all the party was founded in 1916. Although Labour demonstrates a slight tendency to select women for winnable seats, this is not a trend, just an example of occasional largesse.

A phenomenon reported by numerous commentators after the election was the success of Labour in the four main urban centres. Three factors may help explain this, particularly in relation to the Wellington swing to Labour, which had policies sympathetic to many women.

Firstly, it is in the four main centres that the women's movement is strongest. In Wellington, for example, a great deal of explicitly feminist activity takes place. Wellington is the centre for the Government's advisory women's groups; it is the "head office" for many national women's organisations; many political activities that occur elsewhere among women are generated by what happens in the capital.

Secondly, during the Springbok tour, urban women were highly active in the protest movement. In Wellington, for instance, many younger women voters were introduced not only to the politics of apartheid, they were simultaneously politicised as feminists.

Thirdly, there are now in Wellington many more women public servants than before. They are usually very highly educated, well-qualified, and active in the women's movement and radical feminist politics. They are generally extremely critical of the sexist nature of the public policies they help to administer. They probably all voted on November 28.

Women in provincial towns and rural areas are often engaged in public affairs, but the pressure on them to remain cupboard-feminists is much stronger than in, say, Wellington or the more anonymous "big cities". Nevertheless, where even a small group of active feminists is concentrated, like the Gisborne Women's Electoral Lobby, the sitting National member suffered a real political reprimand.

It seems ludicrous to suggest that none of the women elected or returned to Parliament is qualified for a Cabinet post. Indeed, there is every reason to consider that they should be actively encouraged to accept such responsibility. It is high time that another woman took a seat at the executive table.

Judith Aitken is a Wellington political analyst who has written frequently on women in politics.

Without word of a lie

Over the top

STOCKING up the Christmas grog cabinet at Mt Eden's C and D liquor store, our Auckland reporter's better half came home with two bottles of Codini, the Spanish Champagne, at the old \$4.90 price. In search of a case, our sleuth sallied forth to C and D to do exactly that some days later. But by this time the price had gone up to \$14 a bottle.

Our man went to the check-out man. "I've heard of inflation, but this is ridiculous. Nearly a 300 per cent price hike in three days."

NRR missed the bargain boat. Some canny shopper filled a trolley with the \$4.90 stuff, paid for it, and remarked on the way out, "Better check your Codini prices, mate."

CARP should do something about such loud mouths.

Inflation ahoy?

THE Defence Department's package deal to buy two Leander class frigates for \$100 million could be a little like a second hand car dealer package. When the last Leanders were commissioned eight years ago their construction costs were a mere 7 million pounds, a fifth of their resale price.

The two frigates will rationalise our four-fragate fleet and come with three helicopters — but they only cost about \$250,000 a piece.

One of the boats spent three years being refitted up to 1978 and is "like buying a four-year-old ship," according to a Defence Department spokesman.

In defence of the department, the package deal was an alternative to refitting the Taranaki with gas turbines at a cost of \$40 million. What will happen to that ship is still unknown but it will be phased out as the others come on line.

Pie that came in from . .

AN eager-to-inform news media seems to have forgotten all about that horrendous bit of legislation which is aimed at keeping ultra-secret the activities of our beloved Security Intelligence

Service. And after the discovery of an agent's briefcase on the fence of a well-known political journalist (who selflessly ignored the chance of a scoop and left it to a school-bud to delve into the contents and to generate the front-page headlines) the public was tossed all sorts of tit-

bits of information which raised more questions than they answered.

They certainly kept the lid on one dark SIS secret (or perhaps they merely suppressed it, as a respectful gesture to our secrecy law). The result was that we learned about the lunch

found in the briefcase. But what sort of spies are being engaged in our intelligence work — mine pies? Or steak and kidney (for spy-cakes)? And would we be in breach of the draconian SIS law if we dared to write much more about the pies that were left to go cold?

Brockie's view



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Without word of a lie

Hollow victory

RIVEN is over. The singular victory, claimed by the dispute, is an award clause requiring an employer to give two weeks' notice of impending redundancies. But it is also an entirely pyrrhic victory — the victory you have when you're not being one. Over the last few years 6000 striking workers have been made redundant. That's equal to two Rixens a month for the past four years.

Unnoticed

THE Australian Government has released a "tiny little number called CHOGM Highlights" according to the Australian National Times. The publication contains the text of the Melbourne Declaration and "quotable quotes" from some of the Chogs themselves. "But the only Chog who was worth quoting, New Zealand's supremo, Rob Muldoon, did not rate a mention." Neither did Malcolm Fraser, for that matter.

National Business Review . . .
the newspaper the PM reads
when he wants to get his
teeth into something .



A clear polls message from the 'Muldoon effect'

by Colin James

NATIONAL Party supporters wondering how they came to lose seats in the main cities and lose votes in middle class electorates while doing unexpectedly well in provincial cities need look no further than their leader, Robert Muldoon.

This is the clear message of the special analysis for *National Business Review* of the Television New Zealand Heylen Poll.

The unsettling "Muldoon effect" on New Zealand politics is unmistakable.

In the polls taken from July to November 21 the percentage of recruits to National who were in the top three of six socio-economic levels was far lower than the percentage of "loyal" National supporters in those three levels.

("Loyal" supporters are those who voted National in 1978 and said they still supported National.)

It is in these three levels that one would expect to find the most solid support for National. And overall it did decisively better than the other parties. But, paradoxically, Labour recruited better than did National, and Social Credit recruited as well.

And voters leaving National were more likely to be in those three socio-economic levels than were those who were joining National.

This effect became more marked as the year went on. It is noticeably more evident in the second six months of the year than in the first six months.

And it became particularly accentuated in the last poll, taken a week before the election.

This suggests that there was a shift in voter perceptions of National — and the other parties — during the campaign.

And there was a dramatic and fascinating late shift, according to a party image poll taken on November 21, but not available to *NBR*.

Muldoon said in a speech to the Christchurch Media Club on November 19 that talk of a possible shift in support during the campaign was a "scenario" dreamt up by journalists with no reference to facts.

But those looking for facts need go no further than his own image in the Heylen Poll. He appeared in that poll far less than did National, and Social Credit recruited as well.

The link between the strong "loyal" support for National in those levels, the equally strong drain in support in those levels and the poor recruitment there seems clearly to have been Muldoon's poor appeal to them.

And the higher the level the more marked the effect. The drain from National among the richest segment of poll respondents was particularly noticeable.

Further, those leaving National rated Labour leader Bill Rowling equally with Muldoon as preferred Prime Minister.

In the election this translated into a swing against National in places like Remuera, Eden, Tamaki, the North Shore, Wellington Central, Orlaru and Fendalton.

Conversely, however, National was recruiting in the

Heylen Polls far better in levels four to six than its "loyal" support would have suggested it would. It also lost support in those levels at a lower rate than it recruited.

Muldoon, significantly, did better in the polls in those levels than his party. In the crucial level four, the boundary between Labour and National, he outgunned Rowling in appeal and National outgunned Labour in recruitment.

Among those leaving Labour, Muldoon was by far the preferred Prime Minister.

The payoff for National in the election came in the provincial seats like Invercargill, New Plymouth and Gisborne which it held against the swing in marginal seats and in mixed seats like Marlborough and Wairarapa, where it easily resisted the Labour bid.

In these miniature replicas of

the New Zealand electorate the Muldoon-effect gains for National in the Heylen Polls in the three lower socio-economic levels outweighed the Muldoon-effect losses in the three upper levels.

According to the November 21 poll, National was recruiting best in those centres during the campaign. In Auckland it was bleeding badly and recruiting poorly, ceding to Social Credit gains to be made there. In Wellington and Christchurch it was losing support faster than it was gaining it, this time to Labour's advantage.

An additional factor: The November 21 poll showed the three main centres more pessimistic than average about the economy 12 months hence and provincial cities more optimistic.

Labour and Social Credit recruits were particularly

pessimistic. Those changing their vote generally were more pessimistic than average, particularly those leaving National.

Two other sharp shifts were noticeable in the campaign according to the Heylen Poll: • Labour suddenly regained its usual position as best recruiter of the young, after trailing the other two for more than a year. Did young people suddenly get turned on to this election, after all the gloomy predictions they were turning off politics?

• Rowling suddenly improved his rating as preferred Prime Minister, as he did in the campaign in 1978 — exactly as the "scenario" Muldoon complained of predicted he would. But note that the now smaller gap was smallest in Auckland and widened as the size of the centre polled fell.

Kapiti took it all well

WHILE the politicians were fretting about the closeness of the result and the possibility of a hung Parliament, *National Business Review's* panel of 50 Kapiti voters took it fairly philosophically.

As one said, "That's how the people wanted it and that's what they got."

Those with strong party axes to grind were pleased National appeared to have survived as the Government or unhappy it was still the Government.

Conversely Labourites could find solace in Margaret Shields' win in Kapiti and Nationalists despair in Barry Brill's defeat.

By and large it was those most committed to one or other of the two main parties who felt the result was undesirable. "It gets us nowhere," one said.

Others were concerned there was no mandate or that legislation might be held up.

A few — and not all of them Social Credit voters — thought it was unfair for Social Credit to get as many votes as it did and so few seats.

But those who thought the close result and the possibility of a hung Parliament were undesirable were outweighed by those who were either indifferent to it or positively welcomed it.

The same went for the possibility of another election in 12 months. A number even regarded it as virtually a foregone conclusion — even though the interviews took place the weekend after the election, when it appeared National was reasonably assured of a working majority.

Few said they were surprised by the result, which may account for the relatively low-key response.

Sample comments on the closeness of the result:

"Quite impressed by the way Mr Muldoon reacted when it was so close," said a Brill voter. "I wished the result would be like that as we saw a much nicer side of him — less conflict and more co-operation."

"It was good it was so close," said a non-voter. "Everybody is

sick of the way Muldoon is — he needed a kick in the pants." He added that he was quite glad National won.

"Pleased," said a Labour voter, "because politicians will have to be more responsive."

"Good," said a National voter, "because it means no one can do anything extreme."

One Labour voter thought it a disappointing result and was "not terribly keen on the idea of a hung Parliament," but added that "it could be used wisely."

And from a Nationalist who had voted National despite his growing loss of faith in National MPs because Kapiti was so marginal: "I would have preferred a closer run. I would be happy to see Social Credit hold the balance and hope that Labour still picks up another seat to make things closer."

"Many people," he added, "even staunch National people, are annoyed with Muldoon."

That refrain was common, though Muldoon also had his staunch backers.

And so did Brill. Several panellists insisted they were voting for Brill rather than the party, though only one had changed party allegiance to do so.

Brill voters outnumbered Shields voters on our panel. But, true to the actual result, Labour voters (for whatever reason) slightly outnumbered National voters.

As for "volatility", our panellists did not go in for the newfangled fad much. All but four voted the way they said they would back in June or said they were most likely to.

And that was pretty close to the way they had voted in 1978. Among the movers, as one might expect, given the result, Labour was the main beneficiary. That late rush home to Labour or into conversion did not pass Kapiti by.

In the analysis of the result last week Social Credit's move from third place to second place in seven seats was noted. For the record, Social Credit moved into second place also in the safe Labour urban seat of Sydenham and the safe National suburban seat of Paparua.

Christmas presents all round — and for you, too

by Colin James

HANDS up those who at any time during the past two weeks wanted another election. Don't read on.

I have taken my cue for this week's compulsory, compulsory, outpouring from a *National Business Review* staffer, who last week came upon me in conversation with another journalist.

"We're just talking politics," said the other journalist. "Upon the *NBR* staffer entered something that sounded like 'ugh' and abruptly went off. It was the most apt remark of the conversation."

Last week's gossip was about the Labour Party and its image and whether Muldoon might turn on the spigot and when — or if — he Rowling would go or would be need to be pushed

and who would take over and all that.

By the time you read this most of those questions will have been resolved or sidelined. Christmas will be within sight and the "ugh" syndrome in high profile.

So let us leave behind us for a bit the tangled entrails of ambition.

Rowling, who dearly wanted to overtake the 1975 defeat.

David Lange, whose eyes are bigger than his constitution (and gradually more have come to see it).

Russell Marshall, who might have had the votes a few months back and might even have them now, but under whom some would refuse point blank to vote.

Roger Douglas, who has most publicly argued the case for a Wran-type social democratic party.

Ann Hercus, Marshall supporter short-term while gaining much-needed political experience, but whose long-term eye might at any opportune moment shorten focus.

Geoff Palmer, who, if he learnt to smile, would be New Zealand's Pierre Trudeau.

Let us leave behind us, too, the knotted tortures of the National Party as it gets used to Queensland-style politics and learns to love its new working class voters while saying sad farewells to the chintz and German wine set.

And let us wish Bruce Beetham some relief from the pressure of leading a party going nowhere in particular but with 30,000 individual, strong ideas of where it should be going.

This is Christmas time. Let us get into the Christmas spirit. Manufacturers and retailers

have shown us the way. Having stayed their hand on prices until their party was re-elected, they are now showering generous rises on us.

The last time they did it so blatantly was in 1969. The reaction they provoked cooked National's goose next time round.

Unions, having equally generously stayed their hand before the election, were deserted by the gods. A 1970-style year of disruption coming up?

Oops. Started to stray a bit from the Christmas spirit there.

What about dispensing some gifts to our public figures.

Since I've just been on about the unions, how about kicking off the list with a new set of bowls for that habitue of the greens, Jim Knox. He's been a bit hassled by the

overheavy bias to the left (or is that right?) in his current set. Consequently he's had to burn the end a bit much for his liking in the past year or so.

And for that other Jim, who would like to have had the upper hand of Knox (but some others got there first), a tax-free caravan for his ministerial section to take the overflow from his house as he hears double figures in offspring.

(We'll never get inflation down at this rate.)

For Derek Quigley, the choice is easy: a bound edition of the collected works of Rose Friedman.

For Warren Cooper: a model construction set so he can build domes to his heart's content, privately and enterprisingly.

While we're on the subject of dams we might offer Hugh Fletcher an open-ended guarantee that if the Aramoana smelter goes the way of the Karioti mill, he will be free to enjoy large profits from the rest of his enterprises while the taxpayer rescues the smelter.

And for his conglomerate-mate, Ron Trotter: a book of protest songs so he can join in the marchers' singing when the Springboks come here next.

That leads us to Ben Couch. For him the choice presents no difficulty: a gold necklace and

next round of new economic theories.

And for others pushing own-brand economic theories: an offer of a place on the Labour leader's think tank for Len Bayliss; and for Don Brash a copy of a Broadlands internal managerial minute on "how interest rates can safely be raised a few days before an election and not hurt any executives of our sister companies", to go with the minute of the Minister of Finance of August, 1980, on "how the Auckland Harbour bridge toll can be raised and win us the East Coast Bays by-election."

Brash must now also be eligible for membership of the Opportunity Knocked Club.

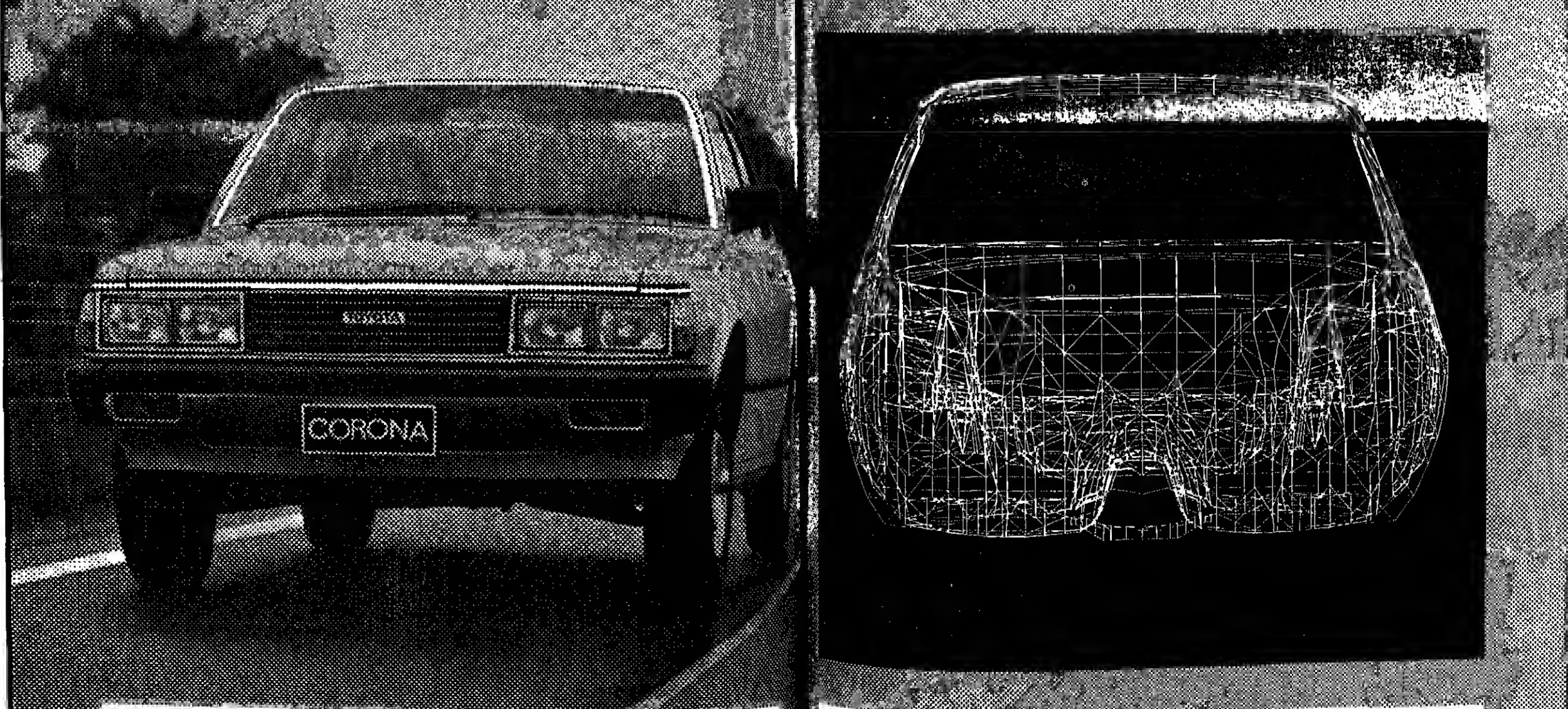
He would there join life members Hamish Kynoch and Julius Watts.

One cannot leave out the members of that Opportunity Tried to Knock but Nobody Heard Club, the Labour shadow cabinet.

How about John Kenneth Galbraith's *Alma Mater's Guide to Economics* for Lange; Machiavelli's *Discourses* for historian and ring-leading 1980 coupster Mike Bassett; a nice new tie to go with Richard Prebble's nice new grey suit?

Then we could give Bob Tizard a boomerang to com-

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Feel how Toyota is made for you — the concept behind every Toyota. How the seats fit. How the colours match. And how every control is easy to reach. Acceleration is solid for a smooth, quiet ride. The touch of the wheel says you are in control. Your foot on the brake brings a swift, sure stop. That's a good, secure feeling. That's the Toyota Quality Edge.

TOYOTA

Ahead in the 80's.

TIME for respite from a surfist.

cufflinks (smuggled in duty-free, of course).

For Jim McLay: a long baton (in a velvet pouch).

For George Gair: a cask of Penfolds grape-flavoured wine.

For the departing Colin McLachlan: the Distinguished Flying Cross.

For his replacement, Ruth Richardson: honorary membership of one of Canterbury's first four ships.

For Bill Birch: honorary membership of the Real Estate Institute of New Zealand.

For several other MPs who shall be nameless: honorary membership of the Motor Vehicle Dealers Institute.

And for Richardson and her 1981 National classmates: a copy each of *My Way* (re-mastered at \$4.98).

They also serve who only sit on the executive. Let us not forget them.

For George Chapman: the Queen's Service Medal for public service.

For Jim Anderton: a megaphone with a voice-actuated cutout switch.

For Anderton's erstwhile buddy, Douglas: his very own ghost-writer to publicise his

memorate his near-return to the finance ministry; for Marshall a framed engraving of *Matthew 5*, and a pair of kid gloves for Hercus.

And for Rowling? How about life membership of the Motueka Borough Council?

For Bodgie Beetham: a second-hand Vespas motor-scooter.

And finally, for Big Daddy. The potential choice is overwhelming: another Springbok tour; a calculator to help him calculate the internal deficit; a non-leaking Treasury...

But my pick is the editorship of the *Dominion*. Move over, Ted Frost, and make way for a guy on his way up from *Truth*.

No doubt, readers who have survived this far through this column have plenty of suitable gifts for me. My preference, if I can get in first, is a week's real work in the open to build up my puny frame and to be of some actual use to someone.

And for you, stoic readers, a gift from me: respite from a surfist. I'm off for a month or two or six to sift sand vacantly beneath a vacant sky — and, no thanks, Derek, I don't want lupus.

FIRST THE BAD NEWS

This Villa Maria wine failed to win a prize at the 1981 National Wine Awards. It's a new wine appearing in competition for the first time



GREY RIESLING P. Bin
Our first experimental vintage of this new grape to NZ. It shows great potential with a mellow, trimmer character. Limited availability.

...AND NOW THE VERY GOOD NEWS

Out of 13 entries 12 of our 1981 wines won a medal, so we're not complaining. And unlike many of the prize-winning wines you don't have to know someone, or have a million dollars to buy them. Every one of these prize wines should be available wherever Villa Maria wines are sold.



BROOKVALE RIESLING-SYLVANER 1981
GOLD MEDAL — Lyttelton 1981
BRONZE MEDAL — NZ Nat. 1981
NZ's favourite fruit. Miller Thurgau style. Available nationally in bottles, decanters and cask.

HAWKES BAY RIESLING-SYLVANER 1981
BRONZE MEDAL — NZ Nat. 1981
The wine drinkers choice. The wine with full varietal character. Available nationally.

SPATLESE RIESLING-SYLVANER 1981
SILVER MEDAL — NZ Nat. 1981
A medium sweet style made from late ripening grapes. Available nationally.

CAMBERLEY DRY PREMIUM WHITE 1981
BRONZE MEDAL — NZ Nat. 1981
A clean white Burgundy style. for the drier palate. Available nationally in bottles and decanters.

BLACK LABEL SPARKLING SILVER MEDAL — NZ Nat. 1981
A premium bubbly dry sparkling wine. Available nationally.

GOLD LABEL SPARKLING BRONZE MEDAL — NZ Nat. 1981
A premium bubbly for the medium palate. Available nationally.



RIESLING-SYLVANER TRAMINER P. Bin SILVER MEDAL — Lyttelton 1981
NZ Nat. 1981
A 50/50 premium blend resulting in an exceptional wine in the Alsace style. Available nationally.

CHARDONNAY P. Bin GOLD MEDAL — NZ Nat. 1981
One of the finest examples of this dry white, with full varietal character. On national release during December.

RIESLING-SYLVANER GEWURTZTRAMINER SILVER MEDAL — NZ Nat. 1981
A good combination of full and dry spicy character. Available nationally in bottles and decanters.

AUSLESE RIESLING P. Bin SILVER MEDAL — NZ Nat. 1981
Dessert or aperitif wine made from late-harvested ripe grapes. Limited release.

WHITE CABERNET P. Bin SILVER MEDAL — NZ Nat. 1981
A clean dry white made from late-harvested Cabernet grapes. Available nationally.

CABERNET SAUVIGNON BRONZE MEDAL — NZ Nat. 1981
A smooth dry blend made with grapes from an exceptional harvest in 1981. Available nationally in bottles and decanters.

And the thirteenth — it's a beauty if you're not superstitious.



VILLA MARIA Wines to suit the occasion - or make it one

Economics

The problem: expecting too much from governments

On both sides of the Atlantic, we have suffered since World War II from excessive expectations of what government can achieve and have downgraded the contribution of that kind of order which can be achieved by the market mechanism, Adam Smith's Invisible Hand.

The inevitable free market reaction when it came was labelled Thatcherism in Britain and Reaganism in the United States.

Yet it is no disparagement to the two countries' respective leaders to say that there has been loss as well as gain from such partisan labelling of ideas which go back to Adam Smith, David Hume and Thomas Jefferson ("He governs best, who governs least").

When the cause of free market becomes part of a purely conservative and even nationalist crusade and is divorced from its philosophical roots, it becomes thin, brittle, and unconvincing.

One example is the way in which American economists line up too easily as advocates, not of their fundamental beliefs, but of their party. Budgetary policies which could be denounced by conservative economists as fiscally irresponsible if not downright corrupt bribery, if they had been introduced by President Carter, are greeted with silence or apologetics when introduced by President Reagan.

On the other hand economists in the Galbraith-Somerset spectrum, who would be dancing with joy to see a Democrat Administration go to the deficit-financed tax cuts in recession and a jetisoning of even the long-term goal of a balanced budget, have been using all the slogans of classical economics to damn the present Administration's belt, book and candle.

One of the few free economists prepared to "reject" such claims from powerful "elites" was United States Budget Director David Stockman. He favoured a "Chapter II" (for second round) of budgetary cuts aimed at tax loopholes, such as ending the corporate oil depletion allowance and putting a "transition tax" on tax deductions on home mortgages for the wealthy.

Chapter II would both have brought in much-needed budgetary savings of \$20 billion and shown that he was equally tough-minded on external business subsidies as he was on costly social programmes.

But as we now know from the Atlantic Monthly article, Chapter II was vetoed by the President himself, and the new philosophy became the old Republicanism.

The requirement at the beginning of 1981 was straightforward and even pedestrian, but extremely difficult to attain: a democracy that is a coexisting reduction in the growth of the money supply — not a particular definition and supported by a fiscal policy which pulled in the same direction; in other words a growth of total expenditure or Nominal GDP not enough to permit a reasonable expansion of output at declining inflation rates. It is an extremely unfortunate fact that it is almost impossible to reduce inflation, especially when strong inflationary expectations have taken hold — without a transitional period quite severe check

to activity, growth, profits and employment.

The great mistake of the Reagan Administration was to assume it had a formula for avoiding these costs. The danger was obvious from reading so-called supply-side writings for years past.

But it came home to me emotionally when at an election night party at the US Embassy in London, I saw one of the presidential debates in which Ronald Reagan accused President Carter of trying to solve inflation at the expense of employment in words which could have been used by Michael Foot in any of his censure motions on Thatcher.

[The reply is (a) that there is no way of avoiding the transitional unemployment known to a free society and (b) if you don't tackle inflation now, you are going to get the unemployment in any case.]

More serious than the election rhetoric was the Programme for Economic Recovery published by the new Administration on February 18, 1981.

The technical criticism usually made was that the figures of Nominal GDP were inconsistent with the money supply assumptions without an unprecedented rise in velocity.

If the expected fall in the inflation rate to 4 per cent by 1986 took place, velocity would be more likely to fall than to rise by the normal rules.

In itself this criticism was not too worrying. If the level of real growth envisaged in the programme were feasible, then either the money supply targets could be raised without inflationary consequences or the inflation targets could be lowered.

The real worry was that after a year of 1 per cent growth in 1981 the Reagan Administration expected real growth rates of 4 in 5 per cent a year in the period up to 1986, which was very much faster than in the preceding few years when the pressure on resources was growing and inflation was accelerating.

The \$35 billion of budget "cuts" achieved by David Stockman earlier in the year were, as he now admits, only a fraction of the number based on hypothetical projections by the Congressional Budget Office on where spending would otherwise have gone.

The original hopes for balancing the budget by 1984 were based largely on fancy economic assumptions inconsistent with the normal long-run growth of the United States economy, let alone with "squeeze" inflation out of the system.

Rudolph Paaner, the budgetary expert of the American Enterprise Institute, who has worked in the Budget Office in previous Republican Administrations, believes that it will be hard work to keep the budget deficit below \$100 billion, not merely in the fiscal year 1982, which has begun with recession, but in 1983 and in 1984 as well.

In pouring a little cold water on the Administration's optimism, one need not downgrade supply-side policies, properly understood. The principle of outmoded or overzealous regulations should give business a stimulus. High inflation certainly distorts economic activity and is probably a disincentive to work and savings.

Free marketeers have long attacked governments for expecting too much from their interventionist policies. Here, Samuel Brittan of the Financial Times, accuses President Reagan of expecting too much from his free market policies.

The mistake — curiously analogous to that made by the British Wilson Government in its 1965 National Plan — was

to have planned expenditure on the basis of optimistic guesses about the results of policies which can at best have a slow

and gradual effect on performance.

Again, the Budget Director had no illusions: "I've never believed that just cutting taxes alone will cause output and employment to expand."

The particular error made by supply-siders on the tax side is to assume that not merely will

tax cuts improve performance, but by so much as to have a zero revenue cost.

These particular delusions are examples of the desire for a quick fix which will painlessly solve all problems. They are symptoms of the great disease of the age: Expecting too much from Government.

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Letters

Leaders and voters

MY congratulations for your Collin James editorial (NBR, November 30) which couldn't have been more timely.

Alas, the televised reactions of political leaders to the election results show just how timely the editorial was.

Mr Muldoon, Mr Anderton and to some extent Mr Rowling, showed us what voters are for: Ignorant idiots merely required in sufficient numbers (and under duress) to enable them to proceed with their own self important visions.

John Green
Auckland.

The case for compromise

THE election result is very good for our country. None of the three major parties has been approved to have sole governing power. About 60 per cent of the voters did not want either National or Labour to have that power.

Now New Zealand has the opportunity to show the world the way forward neither moving towards the old-fashioned right nor towards the old-fashioned left. The vital question is whether Social Credit can find the way out of the confused mixture of capitalism and socialism which has developed into the confused mess of the mixed economies of the Western World.

High and increasing unemployment and high and accelerating inflation have grown out of the attempt to apply the conflicting ideas of capitalism and socialism at the same time. Neither the old-fashioned right nor the old-fashioned left have the answers to present problems. A new thought structure about politics entwined with economics is necessary.

A mixture of old ideas has become the orthodoxy of the mixed economies without resolving the conflicts in those ideas. They are better than either whole-hearted socialism or cold-hearted capitalism alone. However, these old systems, either mixed or straight, cannot cure the world's ills of today.

We are faced with 10 or perhaps 20 years of rising and falling unemployment and inflation within a generally worsening trend. It will take that long to think through the fundamentals of our system and develop a new, just and efficient political economy.

It is unlikely that the political economies of the nations of our earth will degenerate into military-dictatorship-police states of the right and left and that humanity will extinguish itself in war.

New Zealand's geographical situation, history and people give us a unique opportunity to lead the way more decisively than we did at the end of the last century. It seems unlikely that we and Social Credit are adequate to such a tremendous task. Still there is hope.

John R Perkins
Tauranga

Use for our aluminium

I have noted that New Zealand is the only country in the world that does not use aluminium beer and soft drink cans.

Your recent article (NBR, November 16), regarding a world aluminium glut prompts me to ask: In view of the current smelter controversy, why are our beer and soft drink cans not aluminium?

M J Palmer
Palmerston North.

Not depressed in Wanganui

I WAS disturbed to read in your review of electorates (NBR, November 23) that Wanganui is "considered something of a depressed city". I acknowledge that you were restricted to pithy comments by the nature of this particular survey but the words chosen can only be described as unfortunate.

We are not a growth centre but, in present economic circumstances, we are in excellent company in this. There are reliable indicators which suggest that we are holding our own in the competitive world of provincial city development.

One such indicator is the Wanganui Regional Development Council which has provided assistance over a wide field to a substantial number of business undertakings. The business operations of, for in-

stance, the Coleman Group (New Zealand agents for Suzuki) and Cavalier Spinning Mills and Tasman Tanning all give adequate evidence of the continuing good health of our business sector.

I shall not labour the point, but, compared with the benign to innocuous comments which were offered on other electorates, this particular commentary is neither acceptable nor factual. Should it be that you had an opportunity to look in greater depth at the city, I would be very happy to arrange interviews across the broadest spectrum of our business activities.

You could then judge for yourself the state of our economic wellbeing. You would find evidence of difficult trading circumstances, but you would also learn of energetic entrepreneurial activity in the face of the same trying conditions which are being encountered in the majority of our provincial areas, at the present time.

R G Russell
Mayor,
Wanganui.

Formulae and panaceas

I REFER to your comment article on New Zealand advertising (NBR, November 2).

How distressing it is, that so much rubbish continues to be espoused, about the contribution my agency may or may not have made to New Zealand's advertising heritage.

This time, we are held culpable of introducing formulae advertising and panaceas. What a great pity the author shows such abysmal ignorance — not only of my company's business philosophy, but the true dimension of Mr Ogilvy's legacy to my agency and advertising as an industry, worldwide.

If the writer had even a smattering of knowledge of my company's business philosophy, he would know we abhor formulae, of any kind. As for panaceas... I would prefer to let that statement accrue to the contempt it deserves.

It is, to me, equally distressing that an article of such questionable content should appear in a paper as responsible as yours.

Michael A Robinson
Chairman and Chief
Executive,
Ogilvy & Mather.

All secured, we're assured

WITH reference to the *Without a Word of a Lie* (NBR, November 2), the item under the heading "Semi-secured". Your observer was fortunate that the vehicle in question was

awaiting a green light on a busy street and as a consequence couldn't attempt to breach the "plastic security cover". The result could have been catastrophic.

As the broken window (the result of an attempted break-in) has been replaced, the surveillance camera, microwave unit and other special devices have now been removed and vehicle security is back to normal.

I trust your observer keeps "safe" and is not "harnessed" in future.

M Cornwell
Chubb NZ Ltd

Nature of the beast

I WAS fascinated to read the article by Dave Witherow on the preparation of environmental impact reports in your issue of October 26. As one who had a very small part to play in the preparation of the environmental impact report for the Aramoana smelter, and who strangely does have a concern for the environment, I am intrigued at his suggestion that such documents should be prepared by environmentalists.

At first sight there may appear some sort of insane logic in this suggestion but Mr Witherow himself obviously finds it very difficult defining just precisely what sort of environmentalist would qualify to produce an EIR.

Perhaps I could help him by suggesting that those with the following qualifications would obviously be at the forefront of the rush to prepare the next EIR on any project proposed by a ruthless multinational or even by some aspiring New Zealand company trying to widen our country's economic base.

To qualify for authorship the good environmentalist should obviously be endowed with the following characteristics:

● He should have a doctorate (preferably in Greek mythology). This is of great benefit when trying to convince a puzzled public that the love life of the polycheates Neovermilia sphaeropotamus is going to be affected, as the public is uncertain whether he is a medic or an associate professor of economic history.

● The ability to be an expert in every discipline but his own, so that marine biologists become authorities on civil engineering, hydrology, port management, economics and ship handling etc (vide Mr Witherow, a zoologist, on the economics of a smelter in your issue of October 12).

● A preparedness to indirectly throw scorn on the work of equally well qualified colleagues who have prepared various scientific sections of an EIR, without going as far as to challenge their professional integrity and competence.

● A propensity to take up residence in an area that is currently, or is planned to be, for commercial or industrial purposes (such as the end of an international airport runway), and then to complain bitterly of any interference to the good life.

● Preferably job security with either university, Government or a local authority, and some sort of mental block that precludes any concern as to where the funds come from to support his continued employment.

These then would appear to be the required attributes of an A grade environmentalist and as I doubt whether Mr Witherow would claim to qualify, perhaps he can take his fishing rod and gun and go off to fill some lists and birds. I am not sure, but I think that makes him a conservationist rather than an environmentalist.

R F de Latorre
General Manager
Otago Harbour Board

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Sharemarket

W and K — an argument against official listing?

by Klaus Sorensen

STOCK exchange listing isn't cracked up to be.

A number of large public companies are succeeding in disproving the popular misconception that listing is essential for any company with a large number of shareholders, or periodic requirements to raise equity capital.

These companies are raising capital, though that's not always easily achieved, and running their own markets for their shares. At the same time they are free from the sometimes burdensome and expensive requirements of listing, and perhaps most importantly — the risk of takeover.

The Hawkes Bay stock and station company Williams and Kettle is living proof of the ability of a large public company to operate successfully without having to list. And contrary to current rumour, W and K has no plans to seek listing.

The company is at present undergoing something of a transformation — at the ripe age of 101.

The company has an extensive grip on the stock and station business Hawkes Bay and the east coast of the North Island, but in recent years the company has tended to stagnate a little.

However, the directors are determined to correct this trend — and the company is now busy pulling itself up by its bootstraps.

The annual report for the July 31, 1981, financial year has caused considerable comment in stock exchange circles.

But it was not the high standard of the financial and corporate disclosure which caused the talk — instead it was a couple of paragraphs in the chairman's report under the heading of "articles of association".

They read "your directors have updated the company's articles of association which were last reviewed in 1961. Changes in the articles are designed to conform generally with the requirements of the Stock Exchange Association of New Zealand and if the company later decides to become a listed member of the New Zealand Stock Exchange only two clauses in the new articles will require amendment".

This "hint" that Williams and Kettle was thinking of listing quickly got around, and the Stock Exchange buffs were cheered at the thought that another convert from the ranks of the unlisted public companies was about to come into the fold. Williams and Kettle had finally seen the light, they said.

The company has seen the light alright — it plans to stay happily unlisted for some time yet.

Chairman Don Mount told NBR last week the company has no intention at this stage "or in the immediate future" of listing.

He said the changes to the articles would serve to make the

shares a little more attractive from an investment point of view, but they did not mean the company was rushing off to the Stock Exchange Association.

Mount said the company's shares traded successfully through the company's local sharebroking firm and at this stage directors felt this unofficial market worked well enough.

The shares were fairly widely spread and held, mainly by farmer clients who received a shareholders' rebate.

One obstacle to listing would be the voting limitation which limits shareholders to a maximum of 50 votes — a system the directors believed worked well, he said.

Mount said he was "fairly confident" the company would be able to continue to raise capital without listing and pointed to the specified preference issue which has just been made by the company — a 1-for-2 which will raise \$1.5 million when completed.

He said there had been a "very good response" to this issue which encouraged the directors to believe the company would be able to continue to raise funds without having to do so through the stock exchange.

The prospect of a takeover, or some other stock and station group buying control of the company, must be another major consideration.

Mount said the company certainly wouldn't "look



Stock exchange... not necessarily necessary

favourably" at any attempt by a competitor to take over the company. "It wouldn't be in the interests of our clients," he said.

NBR suggested rumours had it that Crown Consolidated might be interested in taking Williams and Kettle over, to which Mount replied: "I don't doubt that, but we are very proud of our independence, particularly in the east coast area."

The company has recently appointed as a director the Hastings-based sharebroker/accountant and Hawkes Bay investment expert Selwyn Cushing.

But while Cushing is best known as a Brierley director and instigator of a number of Brierley's Hawkes Bay takeovers, this time he is on the Williams and Kettle board purely in his own right.

In fact, Cushing has sided with the "opposition" — Brierley recently bought a 23 per cent shareholding in Hawkes Bay Farmers Co-op Ltd — Williams and Kettle's major competitor in the east coast market.

The company's intention is to introduce a more progressive policy in the company towards both the commercial and rural scenes and one of the first steps

has been the equity issue to shareholders — the first for some time.

The company is certainly asset-rich — and is in fact a highly attractive takeover target just from the point of view of its net tangible asset backing.

But the specified preference issue is to be followed by a 1-for-6 bonus issue and the net effect will be to water down the asset backing — total capital will increase from \$3 million to \$5 million.

The specified preference shares will convert to ordinaries in 1987.

Mount said in the annual report that the issue and bonus will "provide your company with a sound financial base and will give tangible support to the company's intention to become more profitable."

He also noted that "our shareholding is well spread and there is a complementary balance between our investing shareholders and our trading shareholders and it is your board's earnest hope that this situation will be maintained."

"We do ask that you take up your entitlement for we want you, the existing shareholders, to continue to hold the bulk of the shares in Williams and Kettle Ltd."

Mount summed up the company's attitude in the annual report when he said "your continued support will ensure we remain the strongest and will also reinforce your board's determination to remain completely independent."

Analysing annual accounts: Sanford

THE name Sanford is synonymous, at least in Auckland, with fishing and fish shops.

And most people who have passed the company's Queen Street shops could be forgiven for thinking the company was little more than a modest-scale supplier of fish for the domestic market.

But the annual report for the August 31, 1981, financial year reveals the other side of Sanford — that of progressive industry giant and chaser of export sales.

The report also celebrates the company's centenary, and paints a fascinating picture of the company's development from a purely domestic market-oriented operation to a company which now relies on exports for the bulk of its sales.

One hundred years ago Alfred Sanford of Rakeino Island, used to catch and smoke snapper from the waters of his island, then sail his boat, the *Form*, to the old Queen Street wharf where he would sell the catch at the fish steps.

The summary of the company's history notes that "by the end of World War I the name Sanford was up in lights all over Auckland town".

The company had invested heavily in shops and restaurants beginning with a three-storey restaurant opposite the Chief Post Office in Auckland where "fish meals would be served for 9d in the cellar, 1s on the ground floor and 1s 6d upstairs..."

By 1918 Sanford was operating 24 shops and three restaurants. Today Sanford has just two shops, no restaurants, but total turnover of \$23 million and exports of \$13 million.

Sanford exports have reached 10,000 tonnes a year and the

company is readying itself to take a major role in the "New Zealandisation" of the fishing industry — the replacement of the joint ventures and their borrowed foreign vessels, with New Zealand owned ocean-going trawlers capable of competing internationally.

In the meantime the company seems to be concentrating on building up its financial muscle.

In the latest financial year Sanford lifted its profit from \$1.4 million to \$1.6 million to give a 19 per cent return on shareholders' funds and 87 per cent on capital.

According to chairman W D Goodfellow, "with the rapid expansion of the fishing industry over recent years into deep-water trawling and pelagic fishing there have been the expected pressures and problems associated with such rapid development."

"Your company with a sound financial base has been able to take advantages as they have developed and is poised to enter the deep-water trawling fishery when Government has better assessed the resource and decided on a firm policy on how that resource is to be exploited."

But while the company is readying itself for a major expansion, Sanford is updating and changing its current fleet. The company has 14 pair trawlers and one single trawler operating out of Auckland and Manukau, as well as nine trawlers and two purse seine vessels fishing out of Tauranga and a 60 per cent owned joint venture which operates two 3000-tonne deep-water fishing trawlers with their own processing capability.

Managing director N L Mills says the Auckland fleet increased its tonnage of fish in the last financial year by 150 tonnes, but, more importantly, the catch of "prime species" (deep-water higher-value fish) was down 8 per cent.

So "in an effort to avoid catching barracouta which cannot be marketed economically one of our larger sets of pair vessels made two trips to the West Coast South Island hake and hoki grounds."

"These trips were satisfactory but the vessels, because they were pair fishing, were limited to fishing depths up to 600 metres and the main ruo of hake, the most valuable of the two species, is in deeper water."

According to Mills: "For this reason, we are studying to convert our four large deep-water trawlers to single trawling and increasing their winch capacity to enable them to fish up to 1200 metres next winter."

"The cost of \$175,000 a vessel is substantial, but we feel that if we are to be able to fish prime deep-water species successfully in the winter months it is a justifiable expense."

He says that increased operating costs have made it clear to the company it cannot continue to rely on fishing inshore prime species during the summer, and then fish the non-preferred species for the rest of the year. "We must endeavour to get out into the deeper water and catch some of the prime species from that area during the winter months."

Similar adjustments have had to be made with the Stimpes fishing venture, which is 60 per cent owned by Sanford and 40 per cent by Marston (a Singapore fishing and processing company).

Sanmar was set up to develop deep water fishing in New Zealand's 200 mile economic zone and originally it chartered five trawlers from the Soviet Union, four 1000-tonne vessels (mainly for squid) and one 3000-tonne vessel (for fishing in depths of 500 to 1200 metres).

However, it was found the smaller vessels were not really suitable and they were exchanged for another 3000-tonne vessel.

The total catch landed was 8000 tonnes, and the vessels can head, gut and freeze the catch at sea.

Mills says the company gained considerable experience and knowledge of deep-water fishing from this venture.

But while the text of the annual report gives shareholders a detailed rundown of the company's activities, the financial section is a little less forthcoming.

The profit and loss account does not disclose operating costs, and the company's situation regarding export incentives and taxation is a bit of a mystery.

The company nearly doubled its exports from \$7 million to \$13.3 million but the export incentive benefits do not appear to have increased accordingly.

In fact, the company experienced a sizeable rise in its net taxation provision — from \$32,787 to \$320,011 — in the August 31, 1981 financial year.

The taxation picture is explained in the notes to the accounts, but one four goes into such detail most shareholders are unlikely to be able to figure out what it all means.

The trading profit before tax was \$2,133,790, plus a \$100,000 superannuation loan

grant, from which tax incentives and allowances (after subtracting incentives producing a tax credit payable in cash) totalling \$695,433 (\$482,676 in 1980) were deducted, leaving a taxable profit of \$1,578,357 and a tax provision of \$710,260.

From this tax provision was deducted \$34,592 for deferred taxation and tax credits from export incentives of \$335,657, leaving the \$920,011 tax provision shown in the profit and loss account.

The balance sheet presents a picture of health with total current assets up from \$4.9 million to \$8.6 million, including short term deposits amounting to a handy \$3.9 million.

Fixed assets total \$10.5 million including fishing vessels of \$5.4 million after depreciation of \$3 million.

Fixed-term liabilities are \$3.9 million and current liabilities, are up from \$3.6 million to \$4.9 million, of which the largest item is creditors, of \$1.9 million.

The dividend of 25 per cent is covered 4.36 times and the asset backing is up, from \$4.31 to a whopping \$4.93.

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Synfuels go-ahead — now to costs and details

by Ann Taylor

WITH a green light from the planning tribunal and a National Government confirmed in office the synthetic fuels plant looks all set to go.

While Mobil held off signing final contracts the world press had assumed we were fuelling the way to synthetic petrol.

"The first commercial plant of this type is at present being built in New Zealand" reports the German Research Service.

But the agreement under which the plant will operate continues only to the year 2003 and "under certain circumstances" to 2008. That fits neatly within the bounds of the 30-year take-or-pay contract the Government negotiated with the Maui developers in 1973.

Government thought then the Maui gas resource would be used in large part to generate electricity. When that idea was shelved and while other options were pursued the Government was paying for much more gas than it took. The syngas plant will catch the Government up again on its take-end of the agreement although the contract is open for continuation

beyond the year 2003. If a Labour Government had been elected Mobil feared that even six months vacillation would put the 1986 mechanical completion date out of kilter and result in significant escalation of capital costs and messed-up procurement orders.

But over the last six weeks orders have been placed, the future manager of the plant has been here to have a look, and interviews for New Zealand staff have been conducted.

The plant's throughput will produce a large amount of condensate to supply the LPG market. Although LPG will initially be used as a feedstock for the plant, this fuel will supply

the market created when "Liquigas gets its act together," gas suppliers told NBR.

The amount of LPG from plants already on-stream is not sufficient to supply the expected demand. And with diesel-LPG and avtur investigations under way demand is expected to rise.

The claim that New Zealand is being used as a "guinea pig" has to be given some credibility. Though Mobil could have gone elsewhere, the company is bringing its first zeolith catalyst to commercial production here.

There are "several" plants in the study and design stage using the Mobil process under

licence. These plants in the United States have access to coal or gas and will employ the methanol-to-gas process as the final stage.

A Mobil spokesman told NBR that none of these plants really depends on whether the Motouiti project goes ahead or not. "They will possibly be encouraged by the fact that New Zealand has got so far. Many companies are satisfied that the process works. It's really just the economic feasibility that has to be worked out," he said.

The major imponderable then is commercial feasibility here. How will the pace of synthetic petrol equate with im-

ported fuel costs? (If the current stability in oil prices continued the syngas plant promises to be an enormous white elephant. The cost of the plant, and the bill the Government pays, therefore the essential element in our future fuel supply.

Amid radio reports that contractor Bechtel has worked cost assumptions as high as \$1900 million in May, Mobil and Government gas

ners in the Synthetic Fuels Corporation held firm to the costing of \$767 million — mid-1980 dollars.

Billion dollar projections are easily figured by taking information into account and the project sponsors working a change rate of \$NZ1 = \$US1 (last week the rate was US\$1.15 cents to \$NZ1).

The \$79 million allocated New Zealand Labour, \$48 million for off-shore power, will support a peak consumption level of 1300 Terae people per day demand (the up the clock when the ammonia and Petrogas methanol plant are completed).

Direct downstream expenditure is difficult to estimate with \$130 million allocated material expenditure on-site and \$269 million off-site. A-up expenditure, according to the Joint Economic Committee, which set the project on tracks, is \$283 million on-shore, \$184 million off-shore for a total of \$767 million.

The foreign exchange benefits in the short term are difficult to estimate with the Government losing 75 per cent of the bid when the final contracts are signed.

The life of the Maui A is; has been extended because of the low take-off from the field. There are four wells operating at the moment, and these will increase to the rig's capacity of nine when the syngas and methanol plants are on line.

Maui B will be needed by 1990 when Maui A will be up to capacity and other developments will require gas. That cost, which is not taken into account anywhere, will probably be more than the \$760 million that Maui A is currently insured for.

The new element in the process — a zeolith catalyst developed by Mobil — will be leased by the company to the Synthetic Fuels Corporation. The lease fee is flat for 18 months and declines thereafter if the life of the catalyst proves to be longer than 18 months, says the paper on which Cabinet based its decision to proceed.

"If the catalyst fails within 18 months through no fault of the company, Mobil agrees to supply fresh catalysts at no cost charge. Mobil has agreed to treat the company as a 'best favoured lessee'."

If the corporation requested it Mobil would maintain a fresh catalyst "to be located at a mutually agreeable site in New Zealand". If Mobil discontinued its manufacture of the catalyst a reputable catalyst manufacturer will be licensed on reasonable terms.

The German Research Service reports this as a problem: "The drawback about a fixed bed installation is that it has to be closed down every time the catalyst is due for replacement, which is why the experimental plant in Western Germany due to go into operation in 1982 is designed as a mill race plant or fluid bed."

Co-ordinated planning urged for Taranaki 'basics'

by Ann Taylor

TARANAKI'S energy projects will require planning, co-ordination and expenditure to upgrade infrastructure services — water, electricity, effluent disposal and transport.

This is the conclusion drawn in a Ministry of Works and Development report submitted to Energy Minister Bill Birch on the mundane "basics" to be provided even before management options are decided.

The MWD report, however, does not doubt that the basic

services can be made available, but warns that a lot of new construction will be needed.

Maui B, dams, tank farms, effluent discharges and coal facilities will have to be built to accommodate an intensive Taranaki development, including the committed ammonia urea and methanol plants, says the report. If the synthetic fuels plant goes ahead, water from the Waitara River will be fully committed.

Future developments in the hypothetical growth scenario include processing gas to ethylene to make plastics, and an LPG-to-fuels plant to make diesel, avtur and polygasoline.

The need for a single body to

co-ordinate and ensure the implementation of infrastructure development is advocated in the report as "perhaps the most central issue if there are to be no impediments."

The area has a plethora of local bodies — harbour, catchment and water boards, city and united councils, the MWD notes.

Planning provision for electricity is needed on a regional and national basis to supply 1000 gigawatt hours a year which could be required at the end of the decade.

Coal from the Taranaki coal fields has the potential for firing the New Plymouth power station if future policy war-

ranted its conversion from gas. A new coal-fired power station at Mokau or pyrolysis plant is included as possibilities. "Any of these developments will require increased mining activities."

Without storage, present data suggests that the Waitara River as a source of water is virtually fully committed to current users and developments.

A reservoir or multiple dam on the Waitara River is suggested. An evaluation of water supply options to meet the scenario's demands should be "undertaken immediately."

Maui B would have to be built if gas demand is greater

than the "expected scenario". Effluent disposal and storage to maximise efficiency should be developed and used co-operatively. The Omata tank farm, near the port on which BP has released its option, would provide adequate storage "provided" it is established and managed in a manner that will attract all developers to site their tanks there.

Liquid waste will go on being disposed of through marine outfalls and "consideration of sharing outfalls should be strongly considered."

The report advocates a solid waste disposal dump as a regional facility. There is sufficient aggregate

available in the area for construction demands but to ensure availability it "could be desirable for planning provisions to be used to protect the potential aggregate extraction sites," says the MWD report.

Boulders for the port development "will be costly unless encouragement is given to supply from local sources," the report says.

The report, available to the interested public, says "the timing of future projects will influence the ability of resource supplies to meet demand. Consideration will have to be given to programming developments to achieve a levelling of demands."

Admark

THERE were, hundreds of thousands of us, quietly watching television on a Sunday morning.

And there it was — horrors, asked and unasked — television advertising on a Sunday morning. Not just ordinary TV advertising but the expensive, wellie variety, packaged by CBS along with the space shuttle landing.

Well, it didn't look all that different. Quite familiar, in fact. An endorsement commercial. A presenter commercial. Another presenter and another endorsement commercial.

Not much different from the prime-time variety — except when big-mouth comedienne Martha Raye, armed to the teeth with copy points, endorsed her favourite denture "Lover. Nothing's a secret any more."

THE problem with working with amateurs on television commercials — even when they're in the celebrity/national hero class — is that with all the will in the world they're still amateurs when it comes to collecting a line.

John Walker has done a terrific job for Fresh-up and looks ad, of course, moves well. His punchline, "It's got to be good for you" screams for emphasis on the word "good". It doesn't happen.

Now Ed Hillary is doing his bit for Great Outdoors tents. After the tents are shown being subjected to some wet and windy testing by the manufacturer, Hillary comments that "they (Great Outdoors) are better on them than nature ever is". The comparison is between the manufacturer and nature. The stress must be on these components of the sentence if the meaning is to be clear.

But it's not — so it isn't.

TIME magazine (a discerning advertiser regularly using these pages) asks in a recent ad, "Which weekly news magazine serves to many readers? (84 per cent regularly serve or use Catholic beverages at home.)" *Reader's Digest* (a discerning advertiser regularly using these pages) states in a recent mail-out, "The digest has a highly receptive audience with a proven propensity to consume alcoholic drinks." Then again, *Reader's Digest* has more Catholic beverage drinkers than any other monthly magazine in New Zealand.

Does this kind of promotion carry the risk of *Time* and *Reader's Digest* readers uniting in a Society to Oppose Inhibition of Privacy?

— Grev Wigge

"Me and you
and Marquee Vint...
just for
the fun of it"

Marquee Vint
NATURAL SPARKLING WINE

The best
tobacco
money
can buy

Year after year
Rothmans pay top
prices for the most
select leaf at the world's
leading tobacco auctions.
Discerning smokers around
the world appreciate in
Rothmans the true King size
flavour that relies on extra
length, a finer filter, and the
best tobacco money can buy.

In fondest memory of a 'real sport' in the family

MY grandfather — my father's father — was small, bandy and came to New Zealand from the old country immediately after the Great War, that diabolical fiasco that haunts us still.

My own father often described him as a "wily little bugger" and rather dapper. My mother

concurred and photographs support the view. He looks, when I gaze at his photograph now, positively avaricious in a three-piece dark suit and trilby hat.

He had a great love of sport in general, especially soccer, cycling and motor racing. For

years he put about the story that back home in Birmingham he played professionally for West Bromwich Albion and actually appeared in a cup final after the first choice centre half had to pull out through injury. His nickname bestowed by the fans? It was, so he said,

"Tiger" Turner.

I've asked my father several times if there was any truth in the story but he doesn't know. What I can confirm is that for a time he played as a goalkeeper in the local Dunedin competition, and that doesn't quite square with what you'd expect

Brian Turner gives a personal view of sport in this occasional column.

from a former first division centre half.

I don't know. It's possible I suppose — he was knocked about a bit in the war and suffered permanent damage to his hearing which allowed him to draw a war pension all through his life — and I like to think he was telling the truth.

The story added just that little bit extra to his mana. He was to me — and always will be — one of life's real "characters", a genuine original.

He and my grandmother would play cricket with us on the concrete slab out the back of the old two-storey wooden house we all shared near Logan Park in North Dunedin.

Liz, our grandmother, was a fielder at short and wide mid-wicket. She stood in front of a large sash window so as to prevent our breaking it while Louis (Louis to her) bowled his underarm spinners or overarm lobs to whichever one of us (Glenn or me) who'd won the argument over who was to bat first.

Other times Louis would come over to the park across the road and show us tricks with a soccer ball. We were most impressed at his ability to bounce the ball from his head to his knee to his foot and back up onto his head again where he would balance the ball for a time before nodding it back to us.

Our cousins who lived in the same house and were in their early twenties sometimes came over and had Louis on. "Anybody can do that tricky stuff, Lou. Why don't you kick the bloody thing. You can't score goals that way."

If there was one thing Jim Larkins knew how to do irritatingly well it was to take the mickey out of people and the angrier the subject became the more he sniggered and persisted.

Louis often took us along to soccer matches where he shunted advice to both players and linesmen, and the referee, with embarrassing frequency. It was obvious that Louis knew the rules like no other.

Sometimes we went to watch a team called "Continental" which started up in Dunedin not long after World War II. The players were mostly Dutchmen and were highly unpopular.

Not only did they work long hours and make lots of money, their supporters spoke in a foreign tongue — the rude bugger — and often ran on to the field to protest to or berate the referee. Also, their players generally had better ball skills than the local lads and this made them abhor of something awful.

Louis called them "The Continental" because one Dutch woman always yelled out "Come on the Continental!" and jumped up and down to a state of near apoplexy. They were, so Louis told us, highly excitable. This seemed to me to be a reasonable contrast to his own penchant to indignation.

"Continental" had a player called George Roddy. "Oooh, he's good all right," said Louis, "if only he wouldn't hold on to the ball so long and show off his dribbling skill he'd be a world-beater."

I remember Roddy. He was a good ball player and like most

of his team-mates he spent a lot of time not going for the ball, gestulating and yelling at his fellows to get into position to receive a pass. And when he was robbed of the ball, as happened quite often some day, he got the real raspberry from the crowd.

Louis went to soccer every Saturday until the last few months of his life, even though for several years he could hardly see the play. He was proud to let on and felt obliged to pass some audible comment no matter what. For an 85-year-old he had some spirit.

He became interested in cricket when his grandsons began to have some success at the game to complain blithely that Glenn was given out.

He never could go along with Glenn's habit of "walking" when he knew he was out. "What's the point of the cap?" "There's bound to be a fair number of clients in the opposition team. Got to be on the ball of averages."

He used to get especially irascible if he'd just walked out the ground and Glenn was up and got out. Quite often he'd up and leave the ground then and there, saying to me later that Glenn was "failing, you know, I think he's over the hill. He's losing his powers."

Louis knew of only a few cricketers by name and many of these had come straight from the pages of *Parade* magazine, a publication which specialised in writing up potted accounts of great figures, notorious ones, in such a way that they all seemed like heroes.

When he and Liz moved to South Dunedin we used to play on his large front lawn. One day we were summoned to ground urgently, our father's well.

Louis had been down at the Market Reserve looking at the circus animals and, being a very keen gardener, asked one of the hands what they were going to do with "all that lovely elephant dung." The bloke told him they would do what they usually did, take it to the tip.

"Don't do that," said Louis. "It makes marvellous manure for the garden, you know. How he knew I don't know, but that is immaterial. "Would you like some?" "Too right," said Louis.

I can see the grin on the bloke's face as he asked for Louis's address. Later that day the circus lads arrived and dumped a whole truck load of elephant dung on the footpath outside 6 Annex Street.

I swear it was four thick layers over the garden by the time we'd finished shovelling and the aroma during warm weather. But you should have seen the size of the carrots and cabbages that came from that garden for years after.

Every time I think of Louis to this day I remember him in his African safari suit (in *World Magazine*) and the wile brimmed hat along the side worn by "Bring the Back Alive" Frank Buck. I remember a soccer ball at his feet, could be a soccer ball in the shade lemnade in a jug in the shade of the house, and a light rain saying "Take it easy, you're not be in such a hurry."

I can think of worse parties to give any budding sportsman or woman, or to anyone.

December 14, 1981

Insurance business more volatile, say experts

by Richard Fletcher

THINGS just aren't what they used to be in the Australasian insurance market, according to experts.

For Brian Corby, soon to be chairman of the Prudential Insurance Group, "volatility" is the key word.

Corby told *NBR* the market was volatile partly because companies which had not been in the market here are "buying into the future, trying to get into markets showing considerable growth potential."

"Other companies have been trying to preserve their share of the market with price-cutting on premiums to a point where

returns are negative returns, both in terms of investment of premium payments and the actual payments balanced against the cost of paying out on insurance claims.

Morris Abbott, chairman of Hogg Robinson, agrees from the insurance broking side of the business, though not necessarily on the reasons. The present insurance market was being kept buoyant by the returns from investment, rather than premium payments, he said, though he believed this was a result of the international economic climate.

On the broader scene, he felt that international interest rates had attracted new entrants into the insurance market.

One example was in the Arabian Gulf region where a Bahraini consortium was set up to capture oil revenue and even to compete with Lloyd's as an international underwriting group.

This new investment pattern had affected the international insurance market with spinoff at a more local level said Abbott. The international effects were more noticeable in countries such as New Zealand and Australia where the "premium pool" for payouts of claims is small compared with Europe or the United States.

More importantly, he sees a need for a general lowering of interest rates or conditions which would allow some rise in premiums without price-cutting affecting the overall return for companies.

An example was when a hurricane caused major damage to southern parts of the United States. As a result, he said, premiums had to rise to cover future payouts, though he emphasised a disaster was not really the best way to make business more buoyant.

Institutions weigh up investment responsibilities

by Richard Fletcher

THE man soon to head the largest insurance group in the Commonwealth sees pointers for New Zealand from British needs in institutional investment.



Brian Corby... responsibilities

Brian Corby, chairman-designate of the Prudential Assurance Group, said his company's policy in Britain, becoming common policy, too, in overseas operations, was to divide its capital investment three ways — into property, equity and fixed-interest investments.

In its sharemarket investments, Corby said, there was responsibility in the company to play more than a passive role in takeovers and mergers. Prudential was one of the biggest investors in the British sharemarket, which meant it usually held shares in both companies involved in any

long-term prospect, rather than the short-term gains," he said.

He emphasised that the institutions, because of their investment in the market, had a certain responsibility to it.

"You have to accept a responsibility for the company if you buy a share in it," Corby explained.

That also means a certain responsibility for directorships, though not necessarily by putting up institutional nominees. "What we have done is to push for more non-executive directors on boards. There is a need for this, but we don't want to see legislation for it," Corby said that in their more general investment policies the institutions in Britain had been criticised for not providing capital for high-risk ventures which might also aim at a long-term return.

In defence of his own com-

pany, Corby pointed to its support of a biotechnology concern and North Sea oil development.

But he felt the higher-risk investments had to be weighed in the light of return for policyholders and shareholders, to whom the group's major responsibility lay.

Issue closes 18th December



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Plastics

THERE is a wide scope for greater use of plastics polymers in agricultural machinery, according to a report commissioned by the polymer engineering directorate of the Science and Engineering Research Council, London.

The report — *The Use of Polymers in Agricultural Machinery* — says that most current applications are in areas of machine construction where resistance to corrosive

Polymers urged in farm machines

chemicals environments are of overriding importance.

There is considerable scope for use in areas such as bodywork and complex mechanical components, the report says.

The report, recently completed by the National College of Agricultural Engineering, Crenfield Institute of Tech-

nology, points to three major constraints on the wider use of polymers.

Volumes of production are generally too low to take advantage of the more appropriate polymer processing techniques such as injection moulding and hot pressmoulding.

There is a widespread management attitude that

though polymers offer many benefits they are not robust enough for agricultural environments.

Design engineers in agricultural machinery manufacturing companies do not, in general, have a high level of expertise in polymer design.

The report makes several suggestions to meet the prob-

lems created by low volume production.

"Due to the generally low level of awareness and understanding, any attempt to encourage the industry to realise the potential of polymers must involve a 'switching on' of all levels of management as well as increasing the expertise of those responsible for agricultural machinery design," the report says, urging seminars for senior management.

This survey of the plastics industry is compiled by David Pasch in association with the Plastics Institute of New Zealand.

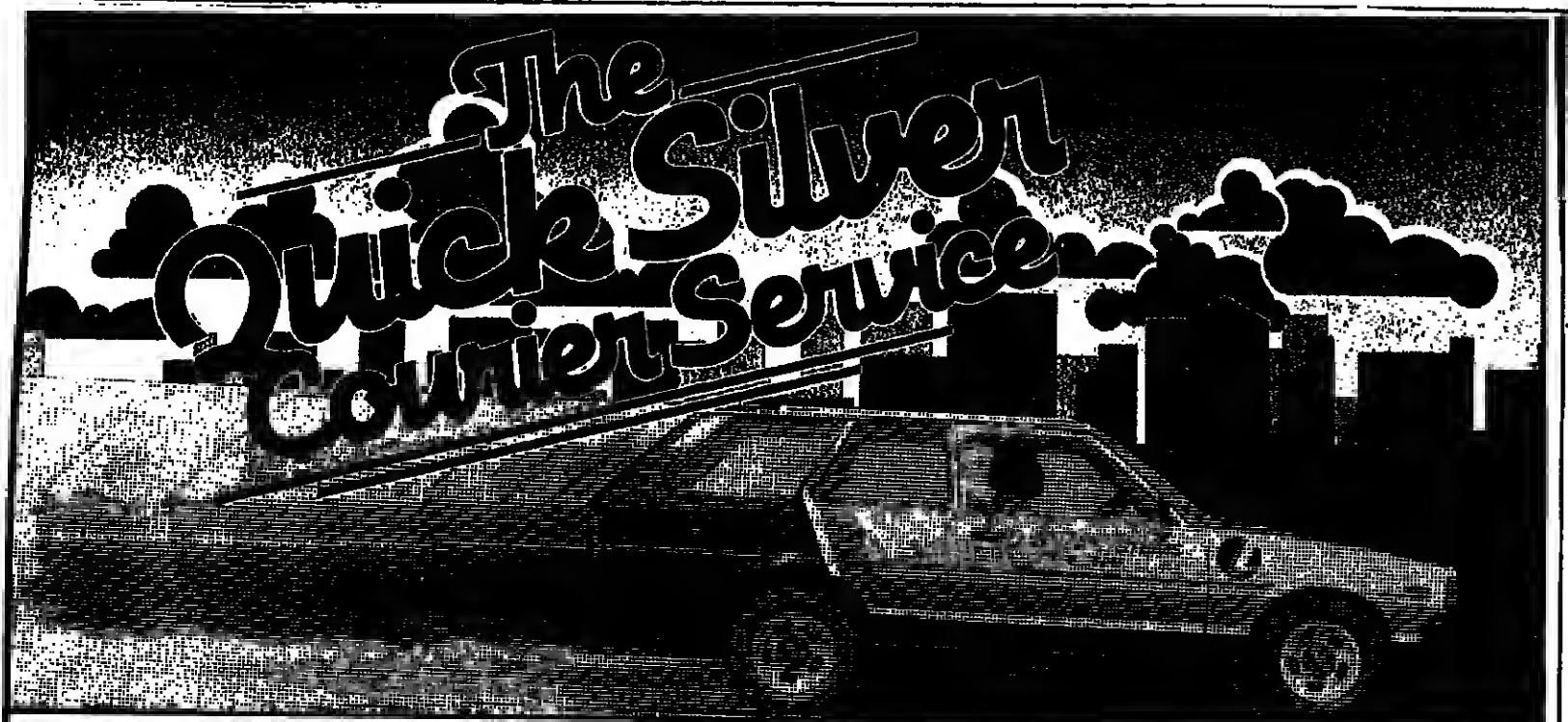


THE casing for this Thorn 2D energy-saving gas discharge lamp's starter and other circuitry is produced in two separate halves from Bayer's Makrolon polycarbonate. The casing's two "arms" hook over the central section of the tube to hold it in position, and the two "legs" in the casing wall itself pinch the tube ends where they enter the casing.

The arms on the top half of the casing have three small "mushroom heads" which snap fit into corresponding slots in the other half.

The highly compact lamp is not much bigger than an incandescent bulb. Makrolon is also used in a special lamp-holder which can be built into fittings designed for this lamp. The new lamp can also be used in existing fittings by means of compact adaptors incorporating the socket.

According to the British manufacturer, Thorn Lighting Ltd, the 2D lamp provides just as much light as a 100W bulb but is rated at only 21 watts, including its "ballast".



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Overseas trade

Mail order campaign sells NZ and its products to US

by Claudia Perkins

NEW Zealand is being sold by mail order catalogue in the United States. You can't blame the multi-nationals — New Zealand is being sold by a small group of New Zealanders and an American.

In fact, it's a highly sophisticated piece of marketing by New Zealand Collection Holdings Ltd. Led by Nigel McLisky, former export development manager for Watties, the firm has selected a range of products from Maori recordings to monogrammed golf putters and Malcolm Watt prints.

These items are presented in a glossy catalogue in partnership with New Zealand sales, peddled with a little help from the prospective tourist. McLisky explains that he

believes there is a market in the United States which has most importantly the disposable income, but also the interest for quality, high-priced New Zealand goods provided they are target marketed accordingly.

The accent is on New Zealand, for potential buyers also have the income to travel and judge their curiosity about a new country. The New Zealand mystique is an essential part of the attraction of McLisky's products.

In this end New Zealand Collection Holdings created a United States company run by New Zealanders to handle the buying, marketing and importing of the New Zealand products, to work along side American "contractors" who would handle the product sales.

McLisky says: "We are using United States expertise where we are best, but our representation is a New Zealand, because we wanted the Americans to relate to a New

Zealand. We're really selling New Zealand, not just the products."

McLisky then spent several months going round New Zealand looking for goods of a suitable quality and type produced by small manufacturers, craftsmen and artists. He underlines that New Zealand Collection Holdings is not and will not become a mail order house; rather, it is concerned with the marketing of quality goods which are perhaps not produced in sufficient quantity for an individual company to warrant the risks and cost of export.

In the present set-up, New Zealand Collection Holdings is the marketer, exporter, importer and distributor in the United States and the manufacturer has only to produce his goods and sell them to New Zealand Collection Holdings.

New Zealand Collection Holdings then bought a mailing list through a broker, isolated its potential market and spent more than \$100,000 producing the catalogue. McLisky points out that many households in the United States receive a mail order catalogue a day, and his task was to create something slightly different, "to give that type of consumer something a little better they will keep a little bit longer."

Hence they sell New Zealand, not just products.

McLisky says: "If we are going to succeed, we've got to try very hard the first time." Consequently, working on a basis of minimal costs, New Zealand Collection Holdings has marketed its goods according to what the market will accept and expects.

To protect himself and his company, McLisky has sent his selected toys to the DSIR, to be stretched and torn apart to see if they conformed to

American standards. It's not that McLisky thinks that American kids are tougher than New Zealand kids, just that the Americans are rather fonder of suing, so insurance for product liability is necessary. Even so there are disclaimers in the catalogue, toys are recommended for 3-year-olds and over.

On some of the goods the company will only just break even, but McLisky wants to move away from selling just sheepskins, and has included a range of products which he feels are important, even if not particularly profitable.

New Zealand Collection

Holdings is considering selling to selected department stores, but at the moment all its energies are channelled into the mail order scheme.

By selling through the mail the firm can keep its costs close to New Zealand retail prices, but this would not be possible selling traditionally because of tariffs, freight and with competition from cheap-source countries like Taiwan and Korea which can produce a large volume of goods. However he considers there is a place in the market for high-quality, exclusive New Zealand goods, and for New Zealand, of course.



Selling NZ... from shop to mail-order

Manufacturing

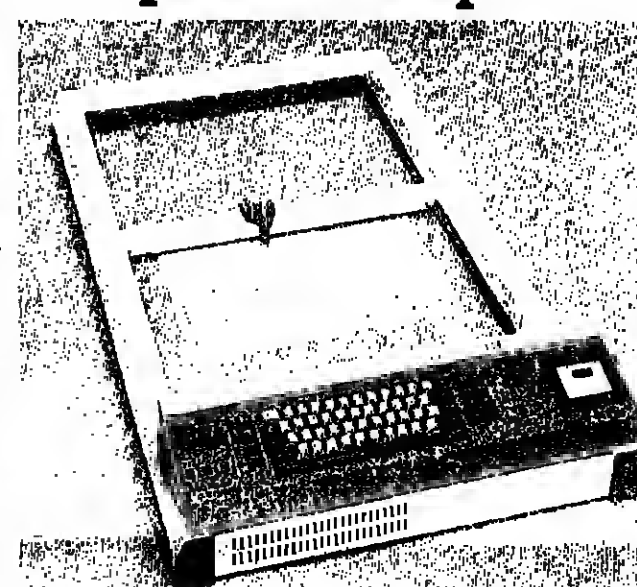
Now it's computerised penmanship

A PRODUCT which enables draughtsmen to label their drawings up to five times faster than with traditional handwriting has been launched on the New Zealand market.

The product, Datascribe, is the brainchild of American computer engineer John Hurt. It is being launched on behalf of Alfa Marix by a New Zealand company, Ose Crosby.

The Datascribe looks like a typewriter and has a similar keyboard. But it is computerised and the keyboard merely directs a conventional draughtsman's pen which actually describes the letters so that it looks as if the designations have been hand-written rather than typed.

It has a facility to draw lines, boxes and circles as well as letters up to three inches tall, which makes it suitable for display material, if a felt pen is substituted.



The Datascribe includes a microprocessor memory which can be transferred to a tape if that particular programme is required at a later date. Datascribe sells for \$11,450

and Hurt considers that it is economically viable in any office which employs more than six draughtsmen. It is easily portable — because it is made up of pre-loaded assemblies — a faulty unit can be removed and replaced. The faulty unit would be sent back to the United States for repair.

Hurt says that nobody would be losing their job to the machine — it is merely "an efficient way of upping output from a draughting office," he said.

"Draughtsmen are trained to conceptualise and draw, not write."

Ken Rimmer, of Ose Crosby, said he felt that the Datascribe would help to meet the shortage of draughtsmen in New Zealand, created by the upsurge in construction growth mainly in Taranaki and Northland.

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DATA PROCESSING

Data sharing a mirage — unless planning is done

A NZ Zealander who has made a major impact in the British computing business has returned for a brief holiday — and to issue some severe warnings on the overworked subject of database.

In an address to two branches of the Computer Society, Ian Palmer, now London-based vice-president of American consultancy CACI, criticised the use of "database" techniques in the majority of organisations, as backed by inadequate planning.

Database implementation was too often regarded as a purely technical matter, he said. Technical design and implementation should be merely the last stage of an analysis process involving the functioning of the entire company.

Commitment and involvement by top management was particularly essential to the evolution of a sensible database plan: "You can't share data if you're dealing only with people at a low level in individual departments."

And sharing data, Palmer emphasised, is the essence of the database concept; the idea of a single data pool viewed in different ways by the company's various departments and applications.

Ideally, sharing virtually eliminates duplicate storage and maintenance of data in the system, avoids inconsistencies between the data held in different parts of the company and

keeps programs insulated from changes in the data and vice versa.

But too many organisations fail to exploit this essential sharing. Many deceive themselves into thinking they are using database merely by converting their conventional file systems "one for one" on to a database management system, or by setting up separate databases for specific applications.

The first way of approaching database "is attractive, because it seems easy, but I fear there are no benefits", said Palmer. The existing file system was simply being duplicated without data sharing or data independence and probably with reduced efficiency.

Separate databases for separate applications, or on separate subjects (customer database, employee database, etc) brought the advantages of independence between data and program, but the first offered nothing in the way of data sharing, while the second created ambiguity as to the database in which a particular item of data was best placed.

The ideal was the "integrated" database, with all applications referring to a common collection of data.

The corporate database implemented this concept throughout the organisation, making the single pool of data a "shared resource, organised for

the benefit of the company as a whole".

But this required exhaustive analysis of the relationships between and the role played by every data entity in the organisations — the building of a "data model", which was never a simple business, although standard techniques exist for such analysis.

Despite the discouraging complexity of information flows in larger organisations, piecemeal development of database solutions was to be discouraged. A complete "overview" of the company's information flows should be developed first — a move argu-

ing top management commitment.

Only when a basic data model was achieved could work start on the more detailed stages of analysis and the technical design aspects be approached with confidence. Many DP departments suffered from short-term pressures to prove the effectiveness of the computer system and this was a handicap to the potential long-term gains of database.

"Database has to be a long term investment", and the decision to implement a database system could not be divorced from the rest of the company's long-term plans, said Palmer. Most organisations had suc-

ceeded in implementing "databases" of the unsuitable type, with inadequate data sharing and inadequate analysis, and would probably pay the penalty later on.

Some of the "better" implementations could fairly be described as "integrated" databases, but "few, if any" organisations had reached the true "corporate database" stage, Palmer claimed.

Except in rare cases where the organisation itself suffered from duplication of functions, the imposition of a correctly planned database should require no change to the organisational structure as a whole, said Palmer.

Where changes were necessary was in the data processing division itself, which must necessarily develop a specialist database administration function.

Having cast a rather pessimistic mood about the ease of implementing database properly, he maintained that it was quite possible for a small, first-time user to move directly and effectively into database.

The days are gone when database was a "large computer" tool, and a small user with a less complex system and fewer preconceived ideas would often have an easier time with planning and implementation, he said.

ICL brings over UK executives to push range

ICL is leaving nothing to chance to ensure that the message of its new networked line of computer products gets over to far-flung audiences.

Two major executives from the British head office stopped off in New Zealand last week to discuss the latest bricks in the edifice with local users and prospects.

In its latest batch of announcements, ICL has added another low-end processor to its "new generation" 2900 line, in the right place to attract the typical user of the old 1900 machines as well as directly

rivaling IBM's 4341 Group 1 processor.

A box known as the Network Processor System links multiple 2900 and even 1900 systems in a flexible way to ICL's extensive range of terminals and new distributed processing products.

In a multiple processor network, the terminal user can request service from a particular processor through the NPS or, alternatively, have transactions of a specific type routed automatically to the appropriate processor.

This and other facilities of ICL's latest communications discipline, IPA, can be made available to users of 1900 and simulated 1900 systems for the first time through NPS.

ICL has also made available new information query and report generation software designed for the non-expert user, and has extended its easy-to-operate Personal Data System (PDS) to the 2900 line.

PDS was originally released on the small ME29 machine and allows data relationships to be viewed simply as a set of tables.

The new networking efficiency came at the right time for the local market, said ICL(NZ)'s Dave Nicholson. The attendance at the recent Victoria University networking seminar demonstrated an expanding local interest in networking.

After a plethora of numbers in the 2900 series over the past few years, the range has now taken on a very "clean" appearance, with all but the lowest model available in single and dual processor configurations and easy "field" upgradeability from processor to processor through the range.

Latest generation models are the 2946, 2955, the new 2958, the 2966 and at the top the 2988.

The entire range is founded on two basic processors. Besides easing upgrades this

approach enables ICL to minimise its hardware design workload and devote more attention to developing advanced software, said large systems product marketing manager John Yeomans.

The 2966, released a year ago, has been upgraded with new microcode and a floating point coprocessor, increasing its usefulness to scientific and technical users.

Memory support on the machine has been upgraded to a massive 64 million bytes. Asked who would be able to use this massive amount of memory, Yeomans suggested the interesting concept of keeping a whole file of data permanently resident in memory, rather than on disc.

A sign, perhaps, that the distinction between external and internal storage, already eroded by some IBM advances, might begin to fade in ICL's mind too.

Local industry

MDL profits from local body co-operation

THE first fruits of a joint local authority computer acquisition exercise have brought \$250,000 worth of business to local microcomputer builder MDL (Microprocessor Developments Ltd).

The collaborative scheme organised with the Matamata Borough Council's exploration of computing options over a year ago, but has since been guided and shaped with government advice from the State Services Commission and the Audit Office.

The Auditor-General's report on public sector computing last year (NBR, August 4, 1980) stressed the need for co-operation among local authorities in development of computer-based applications.

About the same time as the report emerged, Matamata was considering its own plans for computer operations and discovering a shortage of competent advice. "We didn't have an EOP officer and we needed more than we were getting from the computer salesman", said spokesman Bill Curragh.

The initial system, now under development covers wage, general ledger and subsidiary ledgers, payroll and local body electoral rolls. Software development is in the hands of Interactive Applications Ltd, of Auckland.

Clearly many other options are open for addition to the standard suite; some authorities have reportedly expressed particular interest in civil engineering software. "But we want to take one step at a time," Curragh told NBR.

Since the co-operative scheme was first mooted, it has "grown like Topsy", he said, and there are now 44

authorities involved in the Local Government Computer Joint Committee, as it is known.

"The word is spreading," he said, "and not by intentional advertising."

Members of the group can buy the rights to the software for \$8000. This income is likely to be retained in a "pool" for further development of standard computing systems.

To date, only five authorities, Matamata, Eg-

mont, Eltham, Kaikohe and Te Awamutu, have placed firm orders for systems, but at least 10 more are ready to commit themselves in the next few weeks.

This means big money for MDL; its locally-built MX microprocessor is the vehicle for the standard suite and the committee has negotiated favourable bulk purchase terms.

The MX system was up against some stiff competition

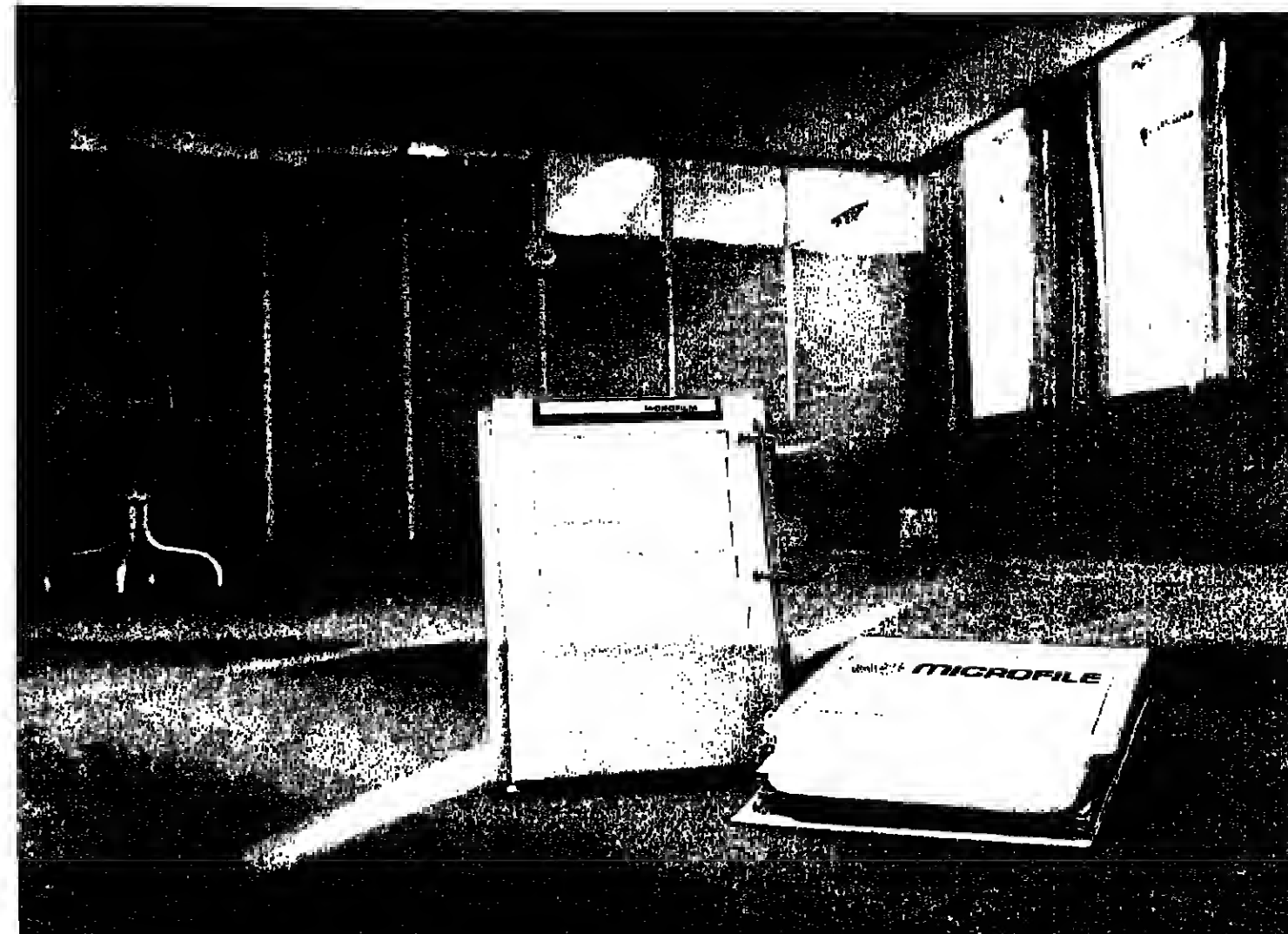
from home and overseas suppliers for the contract, said managing director John Lovelock. Virtually all the prominent manufacturers put in a bid.

Lovelock feels the MX won out on flexibility. The micro has an unusual structure, with up to 16 separate processors inside the cabinet, plus a 17th control processor. Each of the terminal users on the system operates with their own dedicated micro, com-

municating with the others only when necessary.

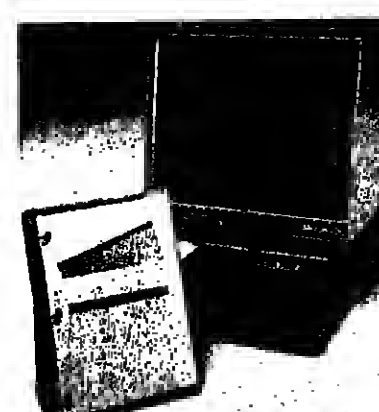
Centralisation of the micros in the cabinet means that only a simple video signal is passed to the terminal, and the connecting line does not have to handle large amounts of data.

Earlier this year, seven electric power boards decided on a similar co-operative arrangement, using a common power billing system running on-line from one central Burroughs computer.



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DATA PROCESSING

Local industry

Going the full distance beyond 'body shopping'

Q: What changes if any have been noticeable in the systems market since CCS has been in operation?

A: Obviously the greatest change has been in the size of the market, with a substantial growth in the number of "first-time" computer-users. This factor has affected the supply of systems services in many ways.

The major change, of course is the need for a greater supply of staff. In many ways these staff need skills which originally (say four or five years ago) were not available from a labour force experienced in mainframe computer processing.

The growth of mini-computer usage has required specialist staff both in the design and programming of mini systems. The mini market definitely requires the skills for

developing sound "user-friendly" systems. Today's staff must be capable of building the interface between increasingly powerful computers and a widening market of non-technical users. Really, it's a new breed of systems staff in today's market.

Another change has been the increasing need for "contracted" systems development on mainframe computers. With large computer users becoming more sophisticated in the production of program code it is now a lot easier to integrate contract staff into a systems development on an ad hoc basis.

I would say, however, that there is a growing tendency for users of contract staff to insist on systems house management of staff. In other words, more of a "project" approach is becoming necessary. Hence a

larger volume of work is being performed on a facilities management or "turnkey" basis, using dedicated teams of staff programmers, designers and specialists in network, communications and data base developments.

Another significant change has been in the growth of requirements for packaged software. In fact CCS is now involved in software production as much as provision of project staff.

Q: What skills are required in your own staff to service such a mixed market?

A: Well, we don't visualise our staff working in every facet of the systems industry. We have established various departments such as in-house software development, bureau, contract systems and specialist market areas such as banking and finance.

Each area requires a different type of person and skill. For example, a contract assignment might require abilities to integrate well into a customer site and be a wizard Cobol programmer, whereas a software production person used in-house can be more introverted, a technical boffin type.

Generally though, the market is demanding a wide spectrum of skills in each person, predominantly because of staff shortages and the ability to design and implement user-oriented/user-friendly systems. And not least the ability to obtain the maximum economies and productivity from the computer hardware.

Q: What have been the market influences in changing the mix of customer requirements over the years and what kind of response, if any, has this required from the systems companies?

A: I think the major influences have been firstly cost. The prices of computer hardware have continued to fall. Secondly, access to information: through larger capacity memory devices, improved communications systems offered by the Post Office and large networking organisations. Not least of all would be the availability of much smarter software, allowing users rapid access to their data and subsequently on-line manipulation of that data.

As regards the systems company's response, the main area has been continued education in the new concepts and large investment in a research and development sense to take on-board new systems hardware and develop sophisticated but easily implemented and operated products.

I believe that the latter object is regularly achieved but certainly there is still a shortage of very experienced communications staff. Also I believe that the systems companies have had to become much more responsible and disciplined in their approach to systems development, which is prevalent in the mini and mainframe market but yet to become widespread in the commercial micro area.

Another market influence has

been the 'unbundling' of systems support by modern vendors. Before this, the user could rely on the vendor providing a substantial amount of expertise for development projects. Now the systems companies are becoming more involved in the selection of hardware for their customers because they will be ultimately responsible for the software development and implementation.

Another factor would be the increasing availability of software "packages" which are generating a large requirement for systems company "customisation". There is a great demand for package tailoring and alteration.

And finally, with the current ability to cross-match hardware components to produce low mini computers, such as CCS are currently making available, there is a great requirement for technical software engineering skills, which are in essence high-level systems programming skills.

Q: How do you see the contract systems market developing into the future?

A: Based on forecasts of the European and American systems industry observers we are predicting a combined value of \$10 billion by 1984. This figure is based on multi-growth rates of around 10 per cent a year. I don't think the New Zealand market will be subjected to such a high growth rate; probably less than 20 per cent, but obviously the spin-off from overseas developments is going to have a very marked effect on what we do in this country.

I believe that the market for software for the new super-minis or mega-minis is the area which will generate additional growth in New Zealand. Also there will probably be instances of systems company acquisitions as the larger commercial firms get further insight to the investment returns of having on-board systems development skills.

There will be a greater faith in New Zealand built software products and their developers, based on the growth of New Zealand systems companies and their length of experience in the market.

I do believe, however, that the standards of performance of both products and people will improve exponentially in line with customer base expectations. In line with these thoughts, I think that development finance specific to the systems industry will become more readily available. This is currently happening in Britain.

Generally, the near future prospects are very bright for the industry. It's interesting to note that overseas, the term used now for contract systems supply is the "professional skills industry."

I think that in New Zealand the customer base will experience a much higher level of professionalism. Not only because we understand better the meaning of the word "service", but because the products available now, both hardware and software, are making it easier to provide for the needs of the end-user and systems developer alike.

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by Allan Parker

REMEMBER the good old days of Christmas? The days when you borrowed Aunt

Joe's 20-year-old patched-up, stung the lilies and

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Time of peace, goodwill and overdrafts for all

by Allan Parker

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It is becoming easier to forget that there is something significant that happens around late December other than spending money isn't it?

From pre-credit card memory, we believe it is called Christmas, and is intended to celebrate an event other than how much more we can spend this year to keep up with whatever money bracket we think we can support.

So how much should the executive in the country's wealthiest suburbs expect to contribute to his local church at Christmas?

We asked a number of church people and opinion varied. A Catholic spokesman, for example, suggested that Christmas Day contributions in the suburbs are generally expected to be about 15 per cent above the average weekly "take".

At the same time, he thought that most people made "a special effort" at Christmas.

Some parishes could expect their collection plate income to double on Christmas Day. Generally, though, the church tries to

how much it would cost to rent a boat-access-only house in the Marlborough Sounds.

It appears they're so popular — or used exclusively by their owners — that they are virtual-

ly never advertised for rent over the festive season. One Picton estate agent told us, however, that people are prepared to pay up to \$400 a week for just such a retreat. In

Contributors to spread their donations evenly throughout the year — in some parishes individuals pledge \$50 a week.

We contacted Fendall's "Media Minister", Canon Bob Lowe, for his assessment of the executive Christmas donation.

He, too, felt that the average weekly take would rise by about 15 per cent on Christmas Day. "Many of our people are making their annual nod to God then."

He said that "a lot of these are hedging their bets and there are few people who have not got the courage to put in the folding sturl on Christmas Day — long may that continue."

Lowe himself says he gets a few tips on the race from presumably-grateful parishioners.

But we leave the final word to a minister in one of the country's wealthier suburbs . . .

"It would be fair to say that more of my annual contributions come at the end of March than at Christmas."

Continued Page 26

CHATELLE FRENCH BRANDY

Everytime you offer Chatelle French Brandy you'll know your guests will love its smooth, round, mellow flavour. Truly French, truly distinctive.

Chatelle.
From the House of Camus.



Yes, Mr Executive — there really is still a Santa Claus

Front Page 25

boats, what better Christmas present than a His, Hers and Junior's set of yachts. We asked one Auckland yacht dealer what would best suit Dad, Mum and the youngster for a first-time buy.

His advice: for Dad, a high-performance 12ft 6in yacht; for Mum, a 9ft 6in sailing dinghy; for Junior, an 8ft 6in sailing dinghy.

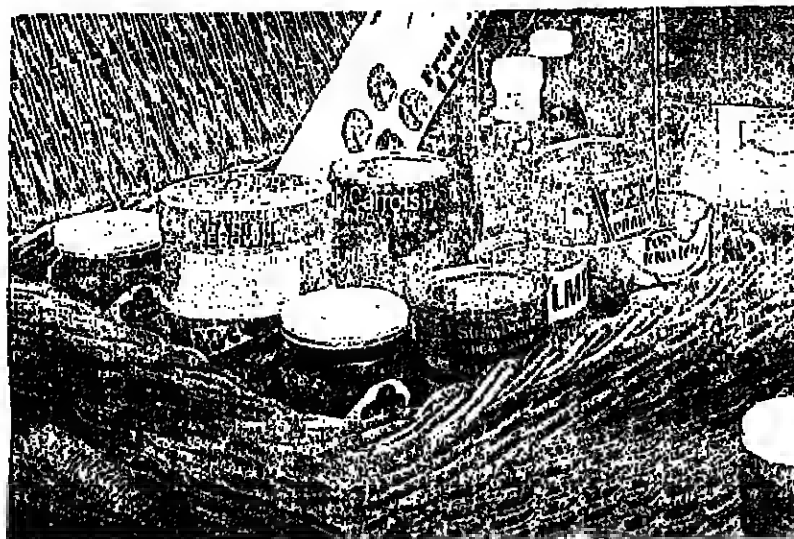
Cost: \$2650 for Dad, \$1050 for Mum and up to \$1000 for Junior.

The whole family can be kitted out for watery relaxation for a mere \$4700 (extras excluded).

Some of us, however, prefer the throb of a diesel motor under us when we venture offshore.

For us, the most up-market of the-peg launch will set us back just \$150,000. For that we'll get a production line 32-footer with the best equipment and most luxurious fittings.

If you feel you're being made to walk the plank at that price, how about a four-berth (in comfort) 25-footer for a shade under \$50,000.



Gourmet foods... the cost is no picnic

The only trouble with owning your own boat is finding a place to park it. So what nicer Christmas present for Dad than a berth at one of the better class marinas.

Auckland's Westhaven is perhaps the most sought-after spot in New Zealand.

A new development going in there will add another 756 berths. The cost for renting the water (no riparian rights there)

for a 21-year berth can cost up to \$13,000 — payable in advance. On top of that, the happy berth-renter will also pay up to \$800 a year for operating and maintenance costs.

Total cost for garaging your boat for 21 years: \$30,000.

Capital-city executives are much better off — mooring at the inner-city Royal Port Nicholson Yacht Club costs just \$100 a year — although

for the executive who's got everything: his own personal plane.

A selection of costs: Cessna Corsair, about \$900,000; Cessna Conquest, about \$1.8 million; Beech Kingair (8-10 seater for the whole family and close friends), about \$2 million; or, for that really up-market feel, a Cessna Citation at just \$2.5 million.

Christmas time is, of course, the time when families like to get together. And what better way than your own spa pool?

Costs range up to \$4000 but a warning: electrical wiring is an extra and can be very expensive. Consumer magazine last month reported a survey into spa pool types, costs and hazards. Recommended reading before taking the plunge.

To record those fun-times in the pool — or anywhere on holiday for that matter — a self-respecting executive will be without the latest in video equipment this Christmas. The pressure from the kids will be hard to withstand, anyway.

Reckon on spending more than \$5000 to set yourself up with the complete home-and-portable video gear. For those without a colour TV (are there still executives out there without one?), another \$1800 will buy you the top model — a 26-inch, remote control, cabinet-encased job.

Retailers report a steady run on smaller, portable colour televisions (14 to 16 inch models) for Mum while she cooks the Christmas turkey or that second set to keep the kids happy during long, daylight-saving holidays. Average cost: \$1000.

Audio buffs aren't forgotten, either. Just looking at off-the-peg, package-deal units, you can go up to \$4000 for a cordless remote control system that will give you aural volume control, radio station tuning and all tape deck and turntable functions.

When you've packed the family into the car for the trip to your holiday spot, you'll want a tape deck in the car to soothe traffic jam blues. A top model system for "sensurround" sound to drown out the kids' complaining will cost you up to \$2000.

For get-it fanatics who don't like to stray far from the sound of music while they're out jogging or cycling this Christmas, you can buy a deluxe, portable, stereo radio/cassette player with headphones that clips on to your bly. This version is just \$700.

However, our pick for the hi-fi buff who wants the best this Christmas is the pair of speakers in Lower Hunt being retailed at a mere \$45,000. Attachments like a tape deck and

turntable to give them some work are another \$15,000.

The ultimate present for the family who has everything would be a machine to count it all. The "personal computer" market, long established in the United States and Europe, is beginning to take a firm hold over here.

For those with plenty of money to spend, the versatile personal computer offers visual, auditory and game-playing amusement over Christmas; an entertainment and a status symbol which will never grow stale; every week brings new games on to the market for the more popular brands of personal computer.

And, of course, the value of the machine doesn't stop there. At the end of the season of revelry, it provides a means of adding it all up and deciding the most economical means to pay it off.

"Personal" computers, seen originally as a game-playing and educational tool, have grown in power and stealthily worked their way into the business market. Give your executive a small computer for weekend amusement and chances are it'll be disappearing into the office on Monday morning for all those crucial planning and figure-shilling tasks which he'd otherwise have to do on paper, or assign to the computer department.

A better idea for the top-

flight executive Christmas present would be three personal computers; one sophisticated model with all the latest software, storage, printer and other trimmings for office use at home — word processing for faultlessly prepared correspondence; manager of household accounts and a calculator for all those pie-in-the-sky share portfolios, all the information for the taxman, the wife, or the kids (a right time).

And lastly, of course, get the kids to play Space Invaders themselves in those elaborately constructed futuristic worlds, compose their own music and learn to program — play your cards right — they'll soon be winning their own improvements to regression-analysis packages and the recipe collection program.

So what's available to shut answer is, almost anything. Power ranging from ultra-small table-top models plugged into the domestic television and cassette recorder to the "mini-computer" scale, with high-capacity disc storage, fancy printers capable of 12 percent print-stylings at the drop of a daisy-wheel.

Visual displays are expected

to colour, even in the under-\$1000 bracket. With the right flumets your personal computer can talk to you in a gifted Scandinavian-American accent, and you can even speak back to it — if you're prepared to repeat yourself enough times.

Most of the stuff is imported, of course, chiefly from the United States and increasingly from Japan; but our own firms are coming up fast with New Zealand-made (or at least New Zealand-assembled) personal computers.

Not that it will gain you much in price to buy at home. Government in its wisdom decided on a 40 per cent sales tax on all "computing equipment" rather than a duty; so you're paying a hefty whack to the taxman whatever you do.

If you want to avoid apoplexy over your Christmas dinner, don't look at the price lists for these machines in the country of origin.

And while we're on the subject of the vagaries of Customs, your game repertoire is severely limited.

The latest, neatest way of packaging a computer game program is on a micro-chip of "read-only memory". But one chips — the micro-size, rather than the ones you eat with your phlegm — are classified as toys; and there aren't any import licences left for the personal computer merchants; the traditional toy-makers snapped them up long ago.

You can get a game on a cassette tape; you can get a ROM chip to compose music — composing isn't a game. But no chip-packaged "toys" available, we're afraid.

Enjoy your population of household computers anyway — while they're still a status symbol, and before you many of the plebs can afford them.

Price ranges for the first-time home computer buyer: for the kids, \$400; for a medium-sized entertainment and budgeting computer, \$2000 to \$3000; and for a home-and-office system with plenty of information storage and a nice, neat printer you could run yourself up to \$10,000.

If that seems a little unnecessary, you could consider buying the kids an electronic games console to plug into your TV. For about \$200 you'll get the console-keyboard (they can go up to \$1000) and another \$40 or so will buy a cassette tape with 10 TV games on it.

(There's one game that will play black-jack with you; when you lose it'll even taunt you).

If electronics leave you phased (pun intended) then jewellery might be more appropriate this Christmas. Its inflation-hedging properties make it more attractive.

Some suggestions this Christmas:

For her — diamond drop pendant, \$800; sapphire and white gold bracelet, \$900; diamond and platinum stud earrings, up to \$1500; cultured pearl (necklace length), \$1500; Cartier Tank watch with sapphire on winder, \$1340; gold-plated Cartier lighter, up to \$100.

For him — solid 18ct gold cufflinks, \$500; diamond tie-tie, \$550; gold signet ring with diamond, \$800; Cartier Tank watch with sapphire on winder, \$1340; Cartier gold-plated pen, \$400; solid gold Cartier oval lighter, \$4200; Cartier solid gold watch, up to \$6000.

Of course, Mum will want some new clothes to show off her Christmas gift jewellery.

It may be unseasonal, but how about a finest quality mink fur jacket for \$5000. Or an imported French four-piece knit ensemble (Claude Hamoide) for \$750. One recent import: a Guy Le Roche full-length velvet coat which sold for about \$1000.

Another inflation-hedging purchase for the creatively-minded executive might well be a selection of works by New Zealand artists.

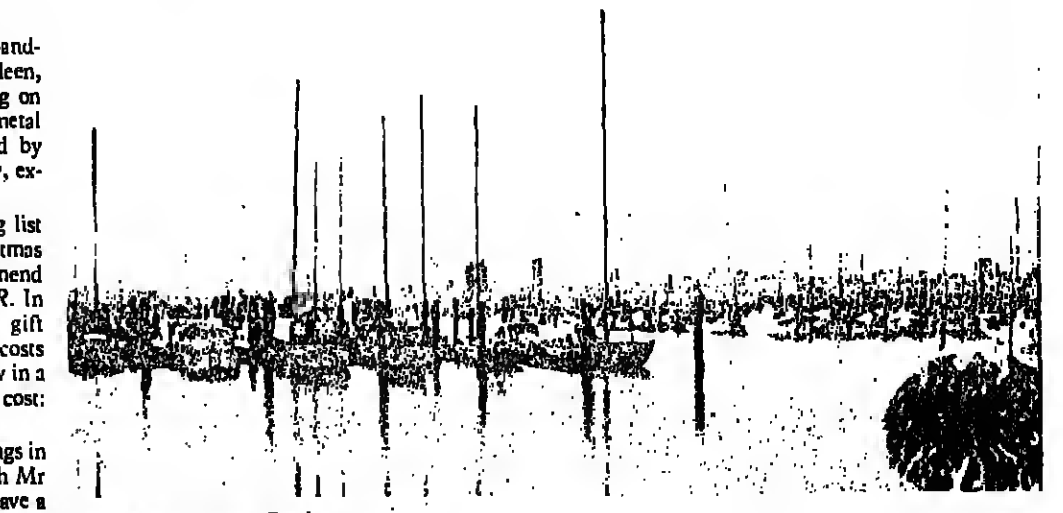
Expect to pay up to \$6000 for a Colin McCahon, \$3000 for a Philip Clairmont, \$1500 for a period Toss Woollaston and

\$2500 for a Ralph Hotere.

One tip: for an up-and-coming artist, Richard Killeen, paying \$400 for a painting on paper and \$5000 for a metal cut-out is, we are assured by those in the fine-arts know, excellent value.

Finally on our shopping list for executives this Christmas we can thoroughly recommend a gift subscription to NBR. In this issue, there's a gift subscription coupon that costs just \$40 — and we'll throw in a present for you, too. Total cost: a mere \$40.

As they say, the best things in life cost so little. Although Mr Claus and his elves still have a lot to answer for.



Weathaven... berth dearth; fee apes

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you can expect to wait a minimum of 70 years to secure one of the 70-odd moorings.

Over Mt Victoria, at Evans Bay, a marina berth will cost some \$560 a year from January 1 (waiting time, maybe four years) and a large boat-shed \$458 a year.

With all that cost, you might as well make sure you have plenty of good food to enjoy while you contemplate your bank manager's post-Christmas reaction.

We've found one hamper of gourmet foods, sold by an Auckland firm, that will cost you only \$500-plus (that includes the cane hamper/basket). Some sample contents: Polish baby beetroots, Canadian blueberries, Danish cooked ham, plum preserve with brandy and walnuts.

Come Christmas morning it doesn't really matter where you are, it's still "praisie" time for the family.

And to get that special good-will feeling at 6am when the kids drag you out of bed (camp, boat or home), you'll undoubtedly want a take-it-anywhere, last-forever, recyclable plastic Christmas tree.

Top of the market in plastic pine trees is an eight-foot, fully-washable number for just \$189. To make it look festive, figure on spending another \$35 for appropriate decorations.

When it comes to goodies to put under your living room tree, pride and joy, the sky is the limit this Christmas.

The family can even take that literally by chipping in to buy the ultimate Christmas present

NBR's Executive Christmas Song

(Sung to the tune of A Partridge in a Pear Tree)

On the first day of Christmas my bankcard sent to me
14-inch colour TV
On the second day of Christmas my bankcard sent to me
... two gourmet foods
On the third day of Christmas my bankcard sent to me
three diamond pendants
On the fourth day of Christmas my bankcard sent to me
four Club Mad tickets
On the fifth day of Christmas my bankcard sent to me
five o-var-drafts
On the sixth day of Christmas my bankcard sent to me
six Blue Chip shares
On the seventh day of Christmas my bankcard sent to me
... seven VCRs
On the eighth day of Christmas my bankcard sent to me
eight spa pool "helpers"
On the ninth day of Christmas my bankcard sent to me
nine apaca game watches
On the tenth day of Christmas my bankcard sent to me
10 Phillip Clairmonts
On the eleventh day of Christmas my bankcard sent to me
... 11 Amex discounts
On the twelfth day of Christmas my bankcard sent to me
... 12 bankcard rejects

Elegance reshaped, luxury refined

CRESSIDA



TOYOTA
CRESSIDA

Christmas cheer

'Battletanks' out, but prestige wagons available

Motoring writer

EXECUTIVE cars, 1982? They're fewer... but more. The big ones have gone. Commodore SL/E retired from Trenham assembly. The Fairmont V8 was axed. Datsun's 260C ran out and the Toyota Crown disappeared.

But the small and midsize models have proliferated, sprouting gadgets galore and wall-to-wall velour so that buyers can downsize without cars... and also so that they can be relieved of much the same kind of money they've been used to spending.

The fully-assembled trade seems to have increased. If you want a car that's not hot off the local press it might well be available. And since it'll probably come from Japan you can order, with a three months wait.

Main models in this \$25,000 to \$35,000 most-ordered sector are Peugeot 505 STI, smaller Audi and BMW, 2-litre Renaults and Volvo, and the new Toyota Crown.

Prices fluctuate according to currency movements and the kind of special-deal arrangements that brought a cargo of Lancia Betas to New Zealand recently.

The boardroom and chief executive carriage trade starts around \$35,000 to \$40,000 (cheapest Benz is now \$41,000, and the ultimate Holden, GM's Caprice, is not much more with twice as much engine under the bonnet).

And there's a busy little sector in the \$19,000 to \$22,000

Ford Falcon 4.1 GL wagon

40-PERCH section, 3br house, 6cyl car... if you have to complete the classic New Zealand lifestyle of yore, this is the way to go: Big enough for man, family and dog, heavy enough to tow the boat, the Falcon wagon is a throwback to pre energy crisis days when most New Zealanders travelled by Kingswood, Falcon or Valiant.

Since the shift to small cars, this Aussie wagon seems big enough to subdivide. But it's easy to drive - specially in automatic form - and carries a monumental load. (\$22,295, 6cyl, 4.1l, 94kw, auto, but manual available).

Ford Laser Sport

HOW to take five years off your white-collar image without dyeing the hair or raising the heels: but be warned - Laser Sport's performance level tends to turn hair grey.

Twin-carb, hot paint version of the 1.5 Laser is a rowdy little blaster that gobbles bigger cars on both the straights and roundabouts. But in spite of full song and dance act it's practicable, and fairly comfortable at modest pressure. (\$11,900, 4cyl, 1.5l, 64kw, 5sp manual).

Holden Commodore VC6

NOW built only to SL specification in New Zealand, the Opel-origin Commodore comes in superluxe SL/E



Mazda 626... driver's car

bracket where a selection of choice, hard-to-get Japanese and French hardtops - Mitsubishi Scorpion, Honda Prelude, Mazda Cosmo, Renault Fuego - are noted for fetching high prices after a year's service.

Following are 10 of the best individual models from local assembly I've driven this year:

Datsun Pulsar

DON'T be misled by all you might read about rapidly spinning stars that puff out radio waves named pulsars. The newest Datsun is essentially orthodox front-drive, and since it's fairly late in the field it is done very well. Gearshift has Germanic crispness. Engine revs like an Alfa.

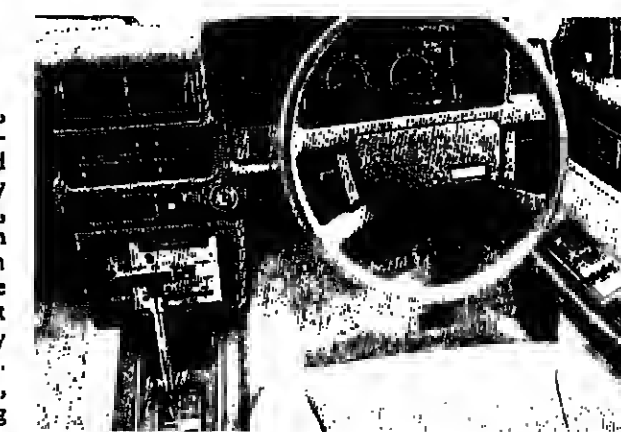
Larger than the Civic-Mirage get, the Pulsar will keep its value well and enlarge Datsun market appeal. Other high points: 17km/l thrift (not quite as good as Datsun claim), much space, well modulated front-drive handling. (\$10,995, 4cyl, 1.3l, 45kw, 5sp manual.) XMS/CAR2

form only as an assembled import. However it doesn't come with the new 5-speed gearbox - Australians can buy this only in the 1.9 and 2.8 litre models.

By far the best of the local models is the 3.3 SL auto with power steering - a fast, Euro-handling mid-size sedan with typical Aussie toughness. Though the SL4 manual is the big seller, it can't match the zlog of the six nor the smoothness of the Holden auto. (\$20,065, 6cyl, 3.3l, 82kw, auto, but manual available).

Mazda 323 1.5 Limited CLOSB kln of the badge-engineered Ford Laser Ghis, 323 1.5 Limited is slightly more elegant - and a hard argument to resist if you're downsizing but hanging on to as much luxury as you can get.

Massive space to such a small car is one feature of the 323 (and Laser) sedan series - rear backrests fold, floor lifts to reveal additional space under already-large boot. Likeable front-drive handling, velour upholstery complete the package. (\$12,795, 4cyl, 1.5l, 55kw, 5sp manual).



Toyota Cressida GL... opulently kitted out

Mazda 626 Limited

TOP-model Mazda produced in New Zealand "Limited" is up-market five-speed edition of long-established 626 series. Slightly smaller than

rival two-litre saloons, 626 is respected for crisp, predictable handling, excellent roadholding... a driver's car.

Boot space is average but extends in two stages via 60-40 split rear backrests. Latest styl-



Datsun Pulsar... European attributes

ing revisions: smoothed front-end, reshaped instruments. Unchanged: Quality engineering, good comfort, reliable economy. (\$14,650, 4cyl, 1.9l, 82kw, 5sp manual).

Mitsubishi Sigma Super Saloon

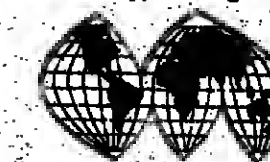
THOUGH innovation is strongest in the Mitsubishi's small cars, the two-litre Super Saloon is conventionally ad-

Continued Page 30



Portrait of a Maori woman Gottfried Lindauer 26" x 21"

Where do you buy fine art in New Zealand? You could try the occasional art auction, but you'll need expert assistance. How do you find an art expert whose not the auctioneer? You may consult an academic, but he won't know much about investment potential. Or you could visit the International Art Centre. We number among our clientele many influential business leaders. Confidential art investment advice is also provided for Company art collections. We are the only gallery in New Zealand to carry a permanent collection of early and rare appreciating art.



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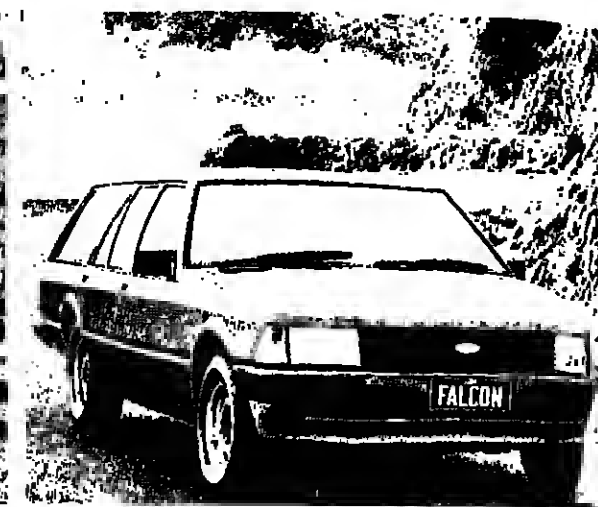
You pay your (big) money and take your choice...



Ford Laser Sport ... turns hair grey



Rover 3500 ... holding her age well



Ford Falcon wagon ... for the classic Kiwi lifestyle

From Page 29

mirable - the archetypal Japanese sedan: Clean-lined, gimmick-free shell with stylish waistline focus, Sigma SS is thoroughly practical from bumper to (rubber-tipped) bumper.

Interior is bright and comfortable in Monza-cloth upholstery and well-matched vinyls, and equipment level is lavish. Ideal long or short-haul business sneaker, with modern mechanism, well-balanced use of space. (\$14,285, 4cyl, 2.0l, 78kw, 5sp manual, but auto available).

Rover 3500

WHAT'S an old girl like you doing in a lineup of latest likeables? Perhaps because she's there. Rover's 3.5 litre V8 is the most costly car made in New Zealand, the ultimate locally assembled executive express.

In spite of few design changes in recent times she's holding her age well. Very posh in spite of the rise of automotive middle classes, Rover soldiers on with this massive hatchback that costs a bundle but runs quite thrifty. Still a pleasant alternative to Aussie sixes. (\$33,450, 8cyl also 6cyl/2.6l, 3.5l, 116kw, auto).

Subaru Leone 4WD

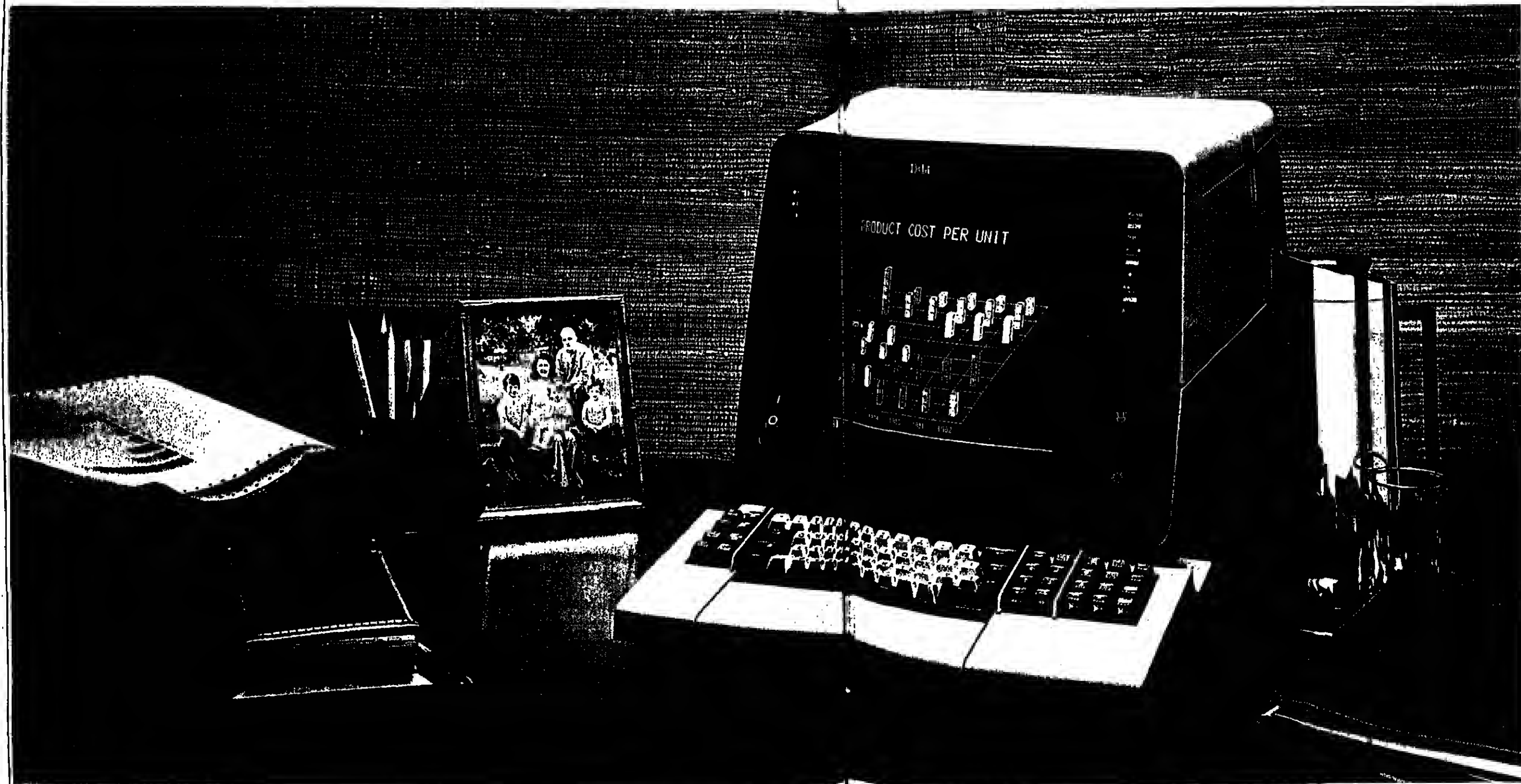
ONLY four-wheel-drive sedan from local assembly, latest Subaru follows success of similar station wagon. Already given the nod by the skiing set, 4WD version of the good-looking Leone has simple flip-lever engagement of rear wheel drive by the "quadraxial" engine which normally is hitched to the front wheels.

Though it lacks the low-ratio transmission option of the wagon, it goes on where two-wheel drive gives up. Sedan is heavy on gadgets that work. (\$14,985, 4cyl, 1.8l, 59kw, 5sp manual).

Toyota Cressida GL

LUXURY without fuel-hogging in this kingsize four which is the ultimate persuader for dropouts from the six-cylinder brigade. Opulently kitted out with plush furnishings, power windows and \$1000 worth of PYE "Compo" sound, Cressida corners the "heavy" two-litre sector and copes with former Crown (now abdicated) owners.

Super-smooth performance manages to retain sub-100km/h agility without using much fuel: 10-12km/litre is normal range for town, country. (\$18,250, 4cyl, 1.9l, 82kw, auto but 5sp manual available).



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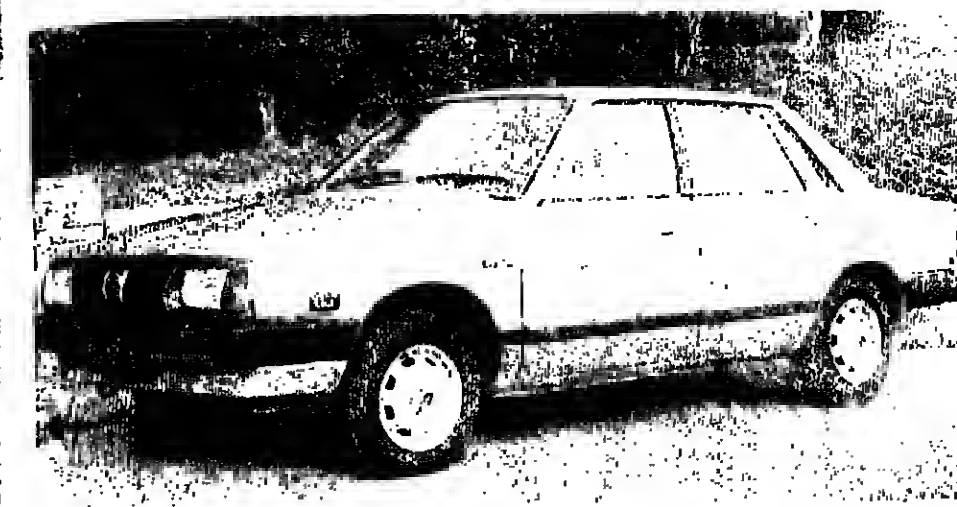
If you agree with our case for colour, wouldn't it be a good decision for you to try the IBM 3279?

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Subaru Leone ... follows earlier success



Sigma Super Saloon ... conventionally admirable



Holden Commodore ... Aussie toughness



Mazda 323 ... small-size luxury

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Name.....
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What wine the executive should buy for Christmas

by Frank Thorpy

NO self-respecting executive will be able to live without French Champagne this Christmas.

Now off import licence, this wine, traditionally the wine of celebration as well as that of celebration, is in plentiful supply and the number of its fans is increasing here as in all countries.

Dom Perignon is, of course, the *demier cri* and no chichi restaurant will be without it. With prices ranging on the wine lists between \$60 to \$70 a bottle, the agents say there is a heavy demand. It will be available in certain wholesale

outlets at about \$30 to \$35 a bottle, cheaper than one can buy it in Paris.

Other champagnes are available at wholesale outlets at prices ranging from \$16.66 for Veuve Clicquot non-vintage, \$17 for Lanson to about \$35 for a good vintage Krug.

New Zealand is now making champagne by the traditional French method and with the right grapes too. Montana's Lindauer will be distributed throughout before Christmas at about \$9.95 a bottle in wine shops. It is a very drinkable champagne, perhaps better with a little more age but a very good effort and worth buying. Penfolds was first on the

market with a traditional champagne-like wine — Verderney at \$8.71, but available only from the winery this year. Next year the winemaker assures me there will be a much wider distribution.

Selaks for years has been turning out limited quantities of Champelle and it will again be available only from the winery at \$8.50.

For those who do not aspire to French Champagne, there are such wines available as Spanish sparkling Cordonou at about \$6.43 wholesale and South African Nederburg at \$6.91 — not to forget that excellent German Heinkel Trocken at \$9.05 a bottle, a spark-

ling wine made famous in England by Ribbentrop, as Hitler's ambassador there.

There are other New Zealand and Australian sparklings available but they pall once real champagne is tasted.

The Australians do much better with the reds currently available. Orlando's Jacob Creek red is a firm favourite now, around \$8.50 a bottle, while the excellent Wynns Coonawarra range of Pinot Noir, Hermitage and Cabernet Sauvignon from, say, \$7 to \$9.

Yalumba Claret is available at some wholesale outlets at \$5.62, St Thomas Burgundy at \$6.05, Sappella Chalmers and Moyateo at \$6.60.

Spanish Sangre de Toro, a red which suits many palates from the unsophisticated to that of connoisseurs, is available at \$6.13.

A Chateau Loudenne at \$12.75 and Mouton Cadet at \$8.14 reflect the best-priced Bordeaux.

For whites, most consumers here think the New Zealand whites to be as good a range as the Australian, and the French and some German are very much overpriced.

Blue Nun Liebfraumilch, \$6.30 (on sale as a special in many American liquor stores during November at \$US2.99), and some of the range of Als-

atian whites, \$9 to \$10, seem to be the better value.

White Burgundies from France, such as Pouilly-Fuissé at \$19.63, seem overpriced.

One good buy in white is Spanish Gran Vins Sol, not too dry, not too sweet, at around \$6.97 a bottle, made from a mixture of Spanish Paredada grapes and Sauvignon Blanc.

In New Zealand wines the executive must have some red in spite of the trend towards white. The only "snob" New Zealand reds are the Cabernet Sauvignons.

McWilliams had always led this field but are now challenged by others — Montana, Nobilo, Penfolds, Corbans and Vidal.

Villa Maria has generally a fairly wide distribution in wine shops and is a matter of taste — *chacun a son gout*. Babich, Ti Mata, Collard and Deleat are usually available only from the winery, whilst Mission Vineyards has improved its distribution outlets recently.

In the whites, if only on account of price, Cooks Chardonnay 1980, winner of the Tourist Hotel Corporation Cup for the wine gaining the highest points, is a must — \$11.65 available only at the winery at Te Kauwhata. Other good Chardonnays, some of them gold medal winners, are available around \$5 to \$7. Villa Maria, McWilliams, Corbans, Montana, Mission and Penfolds. All good drinking now.

The other fashionable white grape is Gewurztraminer. Matavhera Gisborne (available only by mail or personal visit), Montana, Rabold and Butler (a subsidiary of Rothmans owners of Corbans), Nobilos, Cooks and Penfolds are all available.

As for Muller-Thurgau or Riesling-Sylvaner, the most commonly planted grape, you pay your money and back your fancy — very much an individual choice. The smallest family concern San Marino, won the only gold medal in this class at the recent judgges.

In the sparklings, I should mention Montana Bernardin Spumante. Made from Muscat grapes it is the best attempt at making a real Italian-type Asti Spumante. It is sweet but the sweetness is derived from the grapes and it is not cloying. For a family party whose tastes do not run to French Champagne, it is an acceptable wine of celebration, under \$4.

Now for the executive whose pocket exceeds his discrimination.

An Auckland wholesale wine and spirit wholesaler who claims to have more than 300 imported wines in stock has the following:

1975 Chateau Margaux \$154, 1970 Cheval Blanc \$143, 1976 Chateau Haut Brion \$86, 1976 Chateau Lafite Rothschild \$76, 1964 Chateau Petrus \$310, 1971 Chateau d'Yquem \$111, 1973 Chateau d'Yquem at \$151.

My advice to those who buy at that price is to drink the wines right away for these wines are bought more for show than for laying down.

This view is reinforced by the rocketing prices paid at overseas auctions of rare old wines — \$US30,000 for an 1822 Lafite Rothschild, \$US28,000 for an 1806, \$US8,000 for 1830 Chateau d'Yquem, mostly for self-advertisement.

Alexander McNally, who trucks down rare wines for

Continued Page 33

Progress in NZ's vineyards, despite 1981's trauma

by Frank Thorpy

IT has indeed been a traumatic 1981 for winemakers. Accusations of malpractice and shattering with higher prices produced a slowdown in consumption.

But it has also been a year of self-examination and the results of that self-examination (and recriminations) are coming to fruition in better wines, even at higher prices.

The industry has slowly come to the conclusion that it made a mistake in allowing water to be added legally to wine.

But all this is past history — over recent months I have visited most wine areas and everywhere I find a desire to make better wine — typified by Corbans producing wine which carries a guarantee that it is made from 95 per cent juice and the Hawkes Bay vintners adopting a similar logo and guarantee for most of their wines.

Fortified by Customs duties of 44.50, plus 20 per cent for all imports under \$2 a litre fob, \$2.85 plus 20 per cent for imports free of licence and 25 cents, plus 20 per cent for imports under licence or quota as it is now called, the industry has a great chance to prove itself and plantings are going ahead at a rapid pace.

Rothmans (Corbans) has bought just on 1,000 hectares in Marlborough and already 150 hectares have been planted this year. Penfolds in Gisborne and Marlborough has planted mostly under contract about 400 hectares and plans the same amount in 1982.

A further 500 hectares have been planted in Hawkes Bay and two new wineries are planned there, one for Cooks and one for a local prominent landowner.

Canterbury now has 60 hectares to grapes and its first vintage, St Helena, at Coultis Island, near Christchurch, was opened by the Prime Minister last month. The wine, white, produced from three-year-old vines, won two bronze medals in the recent wine competition, in itself an achievement for a first effort.

The talented young German winemaker, Danny Schuster, predicts that the Canterbury climate will produce good Rhine Riesling and Pinot Noir wine in time. Grape trials in Canterbury are enthusiastically supported by a Lincoln College

research team headed by Dr David Jackson and another winery is being planned by two German brothers who have 15 hectares ready to harvest next year.

The Ministry of Agriculture and Fisheries five-yearly survey issued in 1981 showed that by June 1980 there were 4785 hectares planted but only half were bearing. Today it is estimated there are at least 6000 hectares and the grand total is likely to go up to nearly 8000 hectares by 1985.

The consumption of wine per head was 13.3 litres for the year ending June 1981 and this total came from approximately 2500 hectares of bearing grapes

plus imports. What figure of per capita consumption will we have when 8000 hectares of grapes are all bearing?

There are various schools of thought. One says with that amount of grapes all wine will be made from grape juice only, and good grape juice at that, and the consumer will benefit. The other optimistic school places its faith in exports.

Another, mostly growers, say that phylloxera (a disease of vine roots which decreases yield) is so rife that the plantings will only keep ahead of the decreased yield as the disease spreads.

Exports for the year ending June 1981 have jumped 48 per

cent, a total of nearly 600,000 litres valued at over one million dollars.

Canada was the largest export market, but this year exporters have won some success in Germany which has had two very bad seasons and normally imports about half of its requirements. Japan appears to be an on and off market. The Japanese newcomers to wine tend to drink by labels which have been exclusively promoted by overseas advertising.

England provides a small but steady market and John Avery, the principal stockist there of New Zealand wines, sees a continuing market.

Australia has been disappoint-

ing but with the large number of New Zealanders in the principal cities, there should be a market. Australia imports about 7.5 million litres of wine overall, practically the same amount as it exports.

The industry has been given a five year breathing space by the Government. After that, present protective measures will be reviewed.

The Government is establishing a new Viticultural and Cenological Research Advisory Council (VORAC), with representatives of the DSIR, MAE, Department of Health, the Wine Institute and the Grape Growers Council, which will integrate cenological, as

well as viticultural research. Te Kauwhata to be retained as a research station and \$250,000 allocated towards upgrading its facilities.

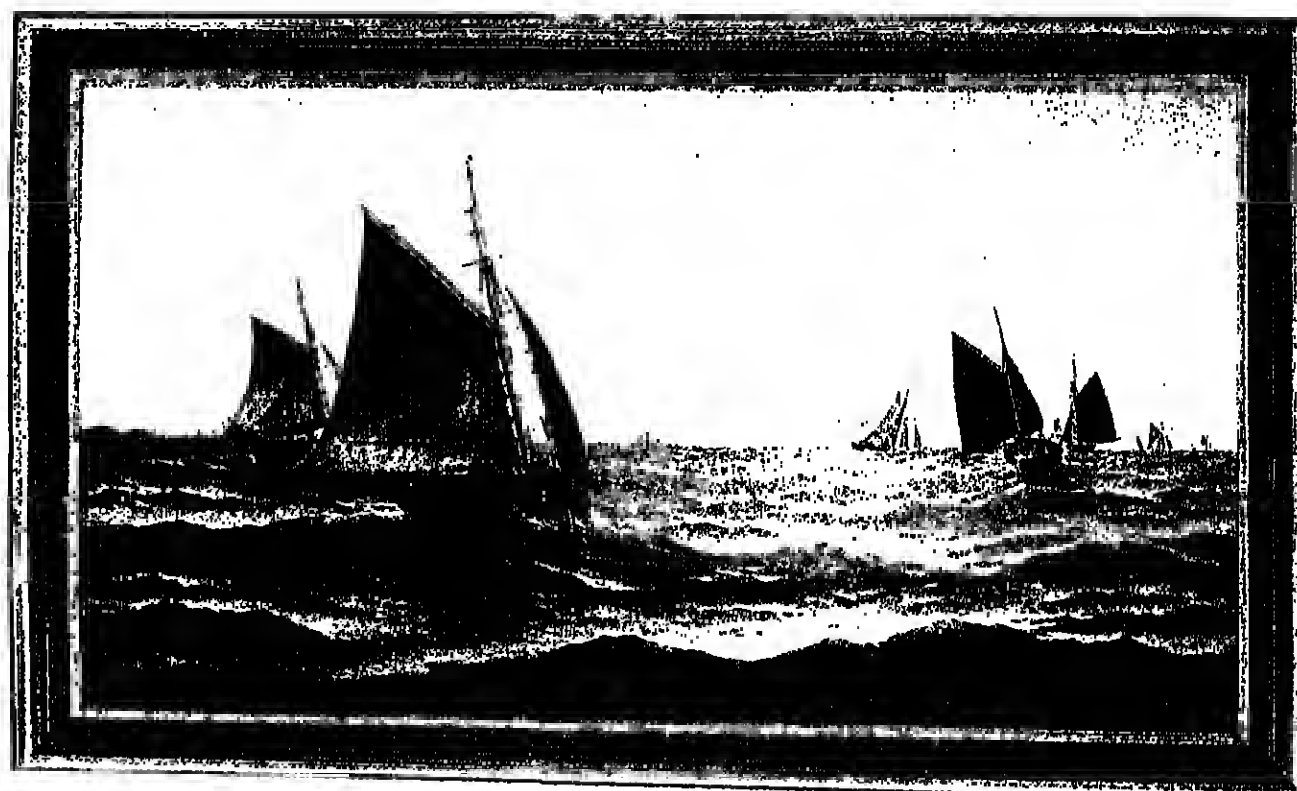
All in all, the stage is set fair for the wine industry. Bolstered by Government approval and restrictive duties against imported wines, it must now demonstrate that it is worthy of that support.

There is indication that the more responsible members of the industry are fully aware of that responsibility and all consumers of wine will wish them well — but keep the prices down — \$11.60 for a bottle of wine, albeit a gold medal, is not the way to the consumers heart!

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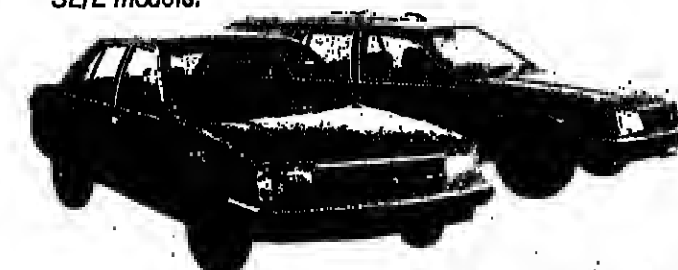


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Christmas cheer

Use your holiday as a holiday to beat stress

by Iris Barrow

HARRY couldn't understand it. He had just returned from three weeks holiday, yet he felt as irritable and tired as he had before he went away.

This 38-year-old business executive knew that he had been pushing himself before Christmas, but the thought of imminent holidays had kept him going. So he ignored the tension headaches and continual knot in his stomach, promising himself that it would all come right once he got away from the office.

In order to relax, and make up for a lack of exercise during the year, Harry chose a tramping holiday. He took off into the bush with a friend, an experienced trumper, happily recalling the tramping trips of his youth.

Within two days he was stiff, sore and extremely tired; still he couldn't lose face in front of his friend, so he kept going. Finally though he had to give up because he developed flu; no doubt as a result of sleeping out in wet conditions.

In retrospect Harry decided that he had received little or no benefit from his holiday, but losing some weight... and he was puzzled as to where he had gone wrong.

Harry's mistake, which is a common one, was to suddenly try to function in an entirely different way than he was accustomed to. Without prior

preparation and build-up, this can create stress and throw the body into a state of mild shock, as it has not had time to adapt to the sudden changes imposed upon it.

The business executive who works at consistently high pressure all year, and receives very little physical exercise, can do more harm than good if he follows Harry's example.

If he indulges in strenuous activity during this three week period, to unwind quickly and make up for his lack of exercise throughout the year, he may well return to work without really having benefited from his holiday.

We have to be very fit, both on the mental and physical levels in order to cope well with a sudden change to our lifestyle. To receive maximum benefit from a holiday we should start preparing for it by winding down mentally (if at all possible) some little while in advance.

If an activity oriented holiday is planned, then we should prepare for it by exercising daily for some weeks beforehand. Fitness has to be built up gradually; it cannot be achieved overnight.

To keep the benefits of the end-of-year break, physical exercise should be maintained on a daily basis once back at work.

The person who wishes to function at peak efficiency will also allow time-out daily for mental relaxation.



Follow her example... take it easy.

For it is only then that we provide the right opportunity to function at the deepest level of consciousness... and everything of a worthwhile nature, and of real value must evolve from this level.

The holiday period provides a unique opportunity for people to get away from pressure and start being in touch with themselves once more.

We tend to hold ourselves tightly together, and function

within rigid frameworks and structures just so that we can cope with the day to day business of living. It is essential for us to allow time to relax and unwind in order to continue functioning well.

We cannot expect to maintain a high level of creativity let alone productivity, if we are mentally drained and physically tired. The person who does not take time out for holidays, and for regular breaks "away from it all" will not be functioning in an efficient or competent way.

They may force themselves along and appear to be coping for a time, but they will be dipping into reserve energy; the results of which are exhaustion and second-class performance.

If we are wise enough to use our holiday period for the purpose for which it was intended, that is to recharge our batteries on all levels, we will return to work refreshed, invigorated, and with a new release of creative energy.

To do this means leaving the business of unfinished business for the year, and planning details for the year ahead back at the office. The benefits of doing this will be obvious in the increased feelings of well-being experienced over the forthcoming months.

As a rule of thumb, the busier we are, the more highly organised we have to be in our day to day lives; the more we need to have regular pressure-free holidays, and take daily time out to unwind.

The most beneficial type of holiday is usually the one where the maximum "moderation in all things" is adopted. If we are wise enough to achieve balance — the balance between relaxation and activity, social intercourse and time alone, mental stimulation and just "lolling and watching the grass grow" — we will experience positive benefit on all levels.

Letting go of organised thought and immediate concerns is an effective way of reducing stress, and giving us the opportunity to "balance out" whilst we all have the ability to achieve this essential balancing-out process in our lives, if we will give ourselves the chance to do so.

The problem is that we so rarely take the time and space necessary to allow nature to do her work. Yet if we did this we would achieve more, handle stress better, and generally cope in a more effective way

The buildup of stress over the working year can be considerable, and often reaches the point by the end of the year when both health and efficiency are affected.

Yet so often the person concerned is the last one to recognise that it is time to call a halt and let go of as many of the external factors governing their lives as possible.

An indication that we are under too much stress is when we have difficulty in letting go of work. If we cannot forget it once we are on holiday, and leave it behind us, then we may be caught on a work treadmill. In this case stress will be on top of us, rather than we being on top of it.

Should this be the case, immediate action is called for; the stress cycle must be broken as quickly as possible, and new, healthier patterns of functioning established. To help facilitate this, the following exercise will prove useful.

Write out all your worries, and the things which are "bugging" you. Take your time in doing this, and do it as fully and completely as you can. Bearing in mind (and this is important) that you are doing it as an off-loading and letting-go exercise, to clear your mind.

Confirm the purpose of the exercise by writing at the end "I now let go of this" and mean it.

Don't read it, once you've written it, you're trying to let

go, not feed back in, burn the paper, and take pleasure in watching it burn.

This exercise is very effective when done with the right attitude of mind; it will help you clear your mind and mentally free you to enjoy the rest of your holiday.

If you can then look for something to do over the holidays which will absorb you to the extent that you will lose all sense of time and immediate concerns, you will have taken the next positive step to break the stress cycle.

The activity you choose of course must not create its own tension or have a high stress factor attached.

The person who feels they haven't time to put these suggestions into practice, is the very person whose need to do so is probably the greatest.

Finally, use your holidays not only as a time to relax physically, but as a time to let go mentally on the deepest level.

So that you once again start functioning on that deeper level of consciousness which will allow you to get in touch with yourself and "tap in" to your inner resources. To do so is to build up a level of mental energy which will stand you in good stead for the coming year ahead.

Iris Barrow is a principal of Auckland's Applied Psychology Centre.

Christmas cheer

Forget politics — start reading for semblance of sense

by Gordon McLauchlan

THE so-called science of economics is portrayed in this election campaign, so the subsequent holiday period is a good time to scrape off the ghastly overlay and search again for some semblance of sense.

There are a number of books which will restore the mind in this way among the Christmas crop.

Perhaps the most entertaining are two novels, both telling tales about the heady, more free-wheeling business atmosphere in Hong Kong and Singapore where those masterful manipulators of money, the Chinese, operate.

The first is *Noble House* by James Clavell (Hodder and Stoughton; \$19.95) which clamoured quickly onto the best-selling list. Clavell certainly has his limitations as a novelist but he spins sprawling yarns that drag hundreds of thousands of readers along in suspense.

Noble House is a tale of the largest finance house in Hong Kong and its struggle to survive in the face of take-over tactics by its biggest competitor.

Tonamare (Hamish Hamilton; \$14.95) is a tight tale of business in Singapore, told by Ned Barber, a longtime non-fiction writer who has turned to fiction for the first time and done so like an old pro.

But for those who want to

stick to the facts uncluttered by the need for dramatisations, there is some highly readable non-fiction about too.

For a global look at the economic future, there is *The World Challenge* by Jean-Jacques Servan-Schreiber (Collins; \$19.95). Paperback, \$12.95) which gives a compelling view of the factors which have led to where the world is and a vivid assessment of where it is heading. A shade too plausible for me, but a broad picture of the world economy which helps pull it better into focus.

At the other end of the scale there is a microcosmic look at the world of economics as it affects everyone every day. *What Every New Zealander Should Know About Money* by Dawn E. Lorimer and Roger J. Bowden (Collins; \$8.95) is refreshingly not one of those one-man-upmanship books by successful businessmen mercilessly patronising us about how to make millions with comparatively little effort.

This is a highly intelligent perception of the best way to make money work on a day to day basis. It is written by a couple of academics, is extremely practical, if a trifle basic for anyone who has been knocking around the marketplace professionally for very long.

Bowden is a New Zealander working in Western Australia who acts as an adviser to the World Bank as well and Lorimer is a Canadian also

teaching in Australia. Their previous collaboration was *What Every Australian Should Know About... Money*.

One international book which will undoubtedly command a large readership in the business community is *The Moneylenders* by Anthony Sampson (Hodder and Stoughton; \$21.95).

Sampson has an established reputation as an indefatigable researcher and graphic writer in the various international business arenas. I'm sure that anyone who wants to sort out his thoughts on the operations of multinationals will be enthralled by this book.

My favourite hook on business and economics this year is *Paper Money* by Adam Smith, published in the United States by Summit Books, a subsidiary of Simon and Schuster. I haven't been able to find out who will bring the book into New Zealand, but the assumption is that it will be published in Britain and then brought in here.

"Adam Smith" is a pseudonym for George J. W. Goodman, an American former Rhodes Scholar who has also been a magazine editor and has published three novels. He is witty, urbane and wise and I suggest you put his name and the name of the book in your diary for about May and shop around then for the English edition which one hopes will have surfaced here by then.

The commentary books this year on New Zealand and New Zealanders are a dismal lot. *The Property Boom* by Auckland developer Oily Newland (Shortland Publications; \$9.95) is a revised and updated version of his earlier *The Coming New Zealand Property Boom*. It belongs to the real estate development school of prose, noted for its gung-ho, jocular, chortling put-down style.

The most enlightening passages in this book are the quotes at the head of each chapter by such classical property developers as William Shakespeare, T. S. Eliot and Charles Dickens. It is really a hook for ingenious beginners who must be able to believe the world's population can be roughly divided into right-wing good guys and left-wing bad-dies.

John Kennedy's *Straight From the Shoulder* (Whitcoulls; \$13.95) is as perceptive and exciting as a collection of the Saturday editorials from the smaller provincial newspapers. It is an earnest, well meaning howler.

So thank goodness for Tom Scott's *Snakes and Ladders* (Whitcoulls; \$6.95), as crisp and amusing as the author almost always is.

For work-jaded holiday makers who want an easy read, three titles come immediately to mind: *The Eagle and The Raven* by Pauline Gedge (Penguin; \$6.95); *An Indecent Obsession* by Colleen McCullough (Harper Row; \$19.95) and *Greenstone Land* by Yvonne Kalman (Macdonald; \$17.95).

They are all melodramas that are hard to put down. Gedge is a New Zealander now living in Canada who has built up an international following.

McCullough's *The Thorn Birds* is a commercial phenomenon of our time. It is still selling round the world millions of copies after it first hit the best-selling list. *An Indecent Obsession* is quite a different story, homing in on



does on a small group of people for a relatively brief period of their lives, compared with the sweeping saga of *The Thorn Birds*. But it proves that the author's narrative talent is extraordinary.

As literature, these novels will prove ephemeral, but as entertainment they are remarkably successful and the latest — zooming straight to the top of the best-seller list in the United States — will make

Norfolk Island resident McCullough a second fortune.

Greenstone Land has received widespread positive publicity, mainly because its Auckland author received \$100,000-plus in advances. The story is set in early New Zealand, is overly adjectival and adverbial in style, but while it has no more literary worth than McCullough's novels it has something of their narrative pull.

If you want books to hand round the family during the holidays without straining anyone's intellect, try them.

Footnote: McLauchlan has been far too modest in his recommendations for Christmas reading. His own recent work, *The Acid Test* (Mathuan, \$18.95) — an anthology of humorous New Zealand writing — is particularly appropriate for this season of good cheer — Editor.

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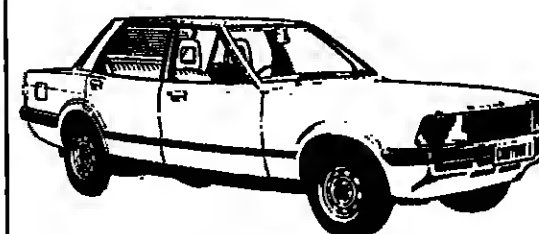
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Christmas cheer

Yuletide with VIPs (very interesting presents)

by Allan Parker

ABOUT this time each year, the daily press starts running its string of hardy annual Christmas stories.

One of the hardest is the picture-and-story about the mountains of North Pole-directed mail the Post Office gets from the nation's kids. (Santa must be the best Christmas present ever invented for the Post Office — or does he just take a slice off the top for helping boost those profits?)

Then, of course, there is the pre-Christmas round of interviews with prominent citizens about what they would like for Christmas. It gives our important folk a chance to express noble sentiments about peace, goodwill and love towards all men, including the South African Rugby Board.

Lofly idealism has its place, to be sure, but the wise wishes they bestow on us through the pages of the press must be the biggest continuing con perpetrated on all we gullible suckers.

Secretly, they all have completely different Christmas wishes (hereof of altruism) which they send to Santa each year — the letters that the postie doesn't show the cadet reporters when they trot along for their seasonal story.

But this year, *National Business Review* has obtained copies of a selection of previously-confidential VIPs' "pressie" hit lists.

The documents, leaked to *NBR* by a highly-placed seating room icmp, reveal the real desires of many of the country's most influential organisations and individuals.

Topping the list, unquestionably, are the secret Christmas wishes of our political leaders. All three have a common demand in their "Dear Santa" letters, although they put it in different words.



Our Rob, for example, says simply (and, we thought, a touch bluntly): "Listen, Claus, you should know by now what I want — no, demand — for Christmas. That's to be PM again. I'll expect action by Christmas. If you don't come to the party on this one, expect the shutters to go up around the BEZ come Christmas Eve. Yours etc, Rob."

A bit undiplomatic, perhaps, but Santa may be mollified by Bill's plea: "Dear Mr Claus, I know you might think this a bit presumptuous of me but what I'd really, really like for Christmas is to be Prime Minister. I think I'd even settle for just saying Leader of the Opposition. I know it's asking a lot, Mr Claus, but the

silly people who didn't vote for me obviously need someone like me to push around. So, in that way I'm just what all those poor misguided people need at the top. Yours in supplication and with deepest respect, Bill.

PS: If you can't manage either of these, I'd be happy to be on the front benches either way."

The third of our three wise men, Bruce, was a bit cheeky in trying to hedge his bets with the sleigh-scatter from the North Pole: "Dear Santa, For Christmas, I'd like to hold the balance of power. And, if I do, I'd like the wisdom of Solomon to know what to do with it. Thanks in advance, Bruce."

While we're on the subject of politics, we thought the following letter was rather topical: "Dear Santa, For Christmas I would like a new computer. If your finances don't stretch that far,

how about an abacus? Or anything that helps us add up better. Yours from hiding, The Chief Electoral Officer."

There was another letter on Parliamentary letter-head, but it was signed a bit cryptically, so we can't tell you who was responsible: "Dear Santa, Now that the unthinkable has happened and R seems to be back we'd like some of the those new board games about politics so we can figure out a strategy that will work. Yours anonymously, The Colonels."

Politicians, of course, aren't the only people with secret desires. Our leaked letters include a number from some of the country's high-profile political fringe elements.

We thought the one from Jim Knox was quite interesting: "Dear Santa, All I really want for Christmas is for you to come up with a way to

solve my embarrassing problem of Ken and R without me losing face. And while I'm on my losing face line, could you please arrange to remove Chile from the world. Ta, Jim."

There was a letter from another Jim, Jim Rowe, from the Employers Federation: "Dear Santa, As one employer to another, I know you'll understand why I'm asking you to get rid of that silly idea about four-day weeks out of our workers' heads. Goodness knows, you may have problems with idle elf hands getting up all sorts of mischief throughout the rest of the year. But down here, giving them all that extra time would be simply ruinous. Yours in sympathy, Jim."

We weren't quite sure how to interpret the next letter from Rob Storey, president of Federated Farmers. Is it a Christmas wish? Or is there some coded message in it. "Dear Santa, Keep up the good work! With appreciation, Rob."

All New Zealand was equally brief in its request to Santa: "Dear Santa, Help! Yours in desperation, Dcs."

So, too, was the management of Skybus: "Dear Santa, Can you let us have your flight secret. We'll even leave you a life membership ticket on the hearth. Yours etc, Skybus."

Another to promise some goodies for Santa in return for Christmas wishes-come-true was the wine industry: "Dear Santa, Can you please save us from Aussie imports and a watery grow Yours with a sweetener, the Wine Industry. Hope you enjoy the cask of moselle we'll leave under the artificial tree, compliments of Frank."

Television New Zealand's Ian Cross had a letter, too: "Dear Santa, For Christmas, I'd like to be freed from politicians and troublesome current affairs journalists. Not necessarily in that order. Yours in confusion, Ian."

There was no confusion about Fletcher Challenge's Christmas wish: "Dear Santa, We're thinking bigger, now can you make it bigger? Yours from on high, Ron and Hugh."

PS: Please can you push up aluminium prices too? And a few new downstream industries wouldn't go amiss."

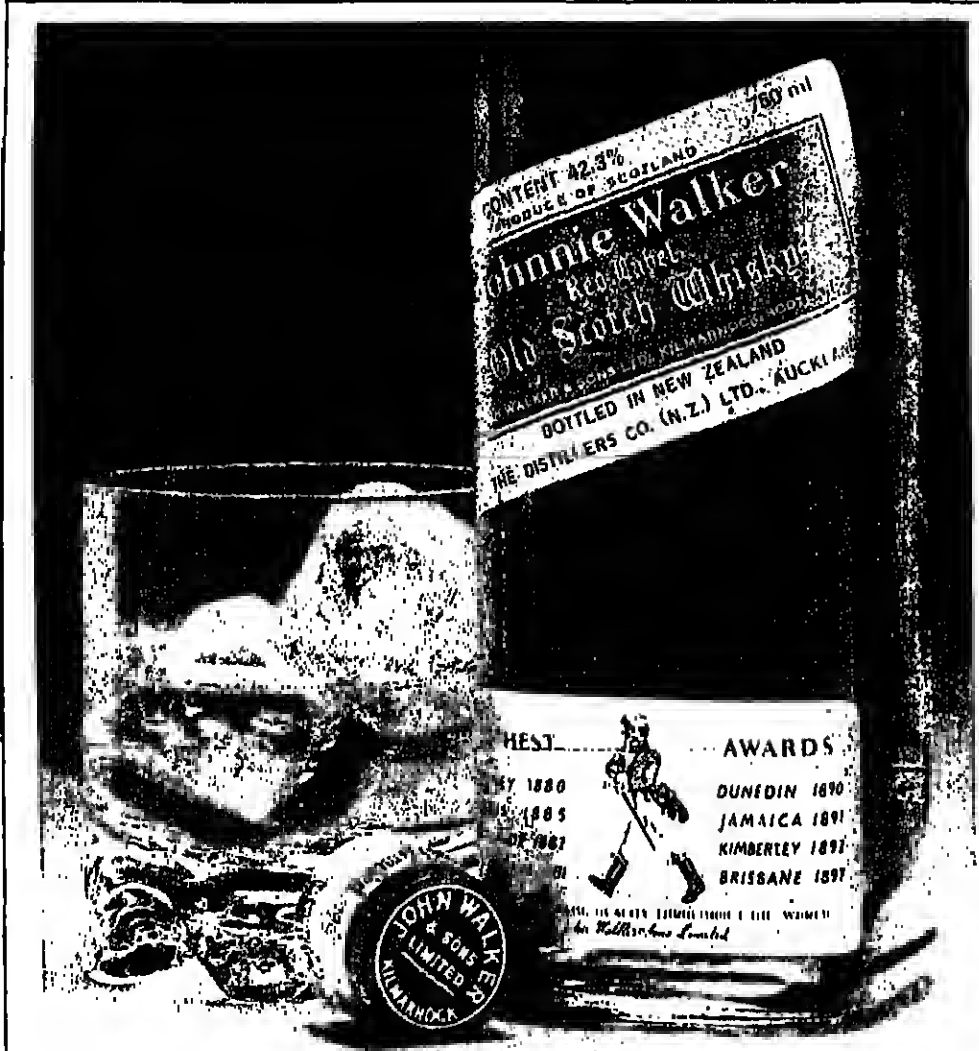
Jarden and Co, stockbrokers to the wealthy, have made a request, too: "Dear Santa, Please for Christmas, can you send us another Do Myers. Yours in haste on the way to the bottom, the Partners."

Although it's a little out of our normal line of interest, we thought you might be interested in the two letters we spied from two of the year's more prominent people.

The first was from HART's Pauline McKee: "Dear Santa, I know I've had to drop out, but my mates are still keen to carry on. Can you please send them a good reason to. Yours in love, Pauline."

The Rugby Union's Ccs Blazey had a special plea, too: "Dear Santa, Please don't let the other countries boycott the Brisbane Game because we'll just get the blame again. A please don't forget Danic and the boys! Christmas Eve. Yours on the defensive, Ccs."

Finally, in our mailbox of secret dreams, came across a letter to Santa from a Reg I chfield, of Wellington: "Dear Santa, Please give me a way to stop myself making pre-empted predictions that I can't get out of easily at wards. Yours red-facedly, Reg."



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Small colour computers here too late for Christmas

AFTER months of tantalising local computer "hobbyists" with their success overseas, the small colour computers will begin arriving on the local market late this year or early next — just too late for the Christmas market.

The Radio Shack colour computer — a low-end machine for the TRS-80 range — could be available now, if it were not for a vast Christmas market to be satisfied in Europe and the United States.

This has meant supplies at this end of the world are simply not available, said a spokesman for the local agent, David Reid Data Products.

Commodore has had a little more luck with its supplies of the VIC machine. A few have been sent out to local dealers and there are seven or eight users who have actually received VICs, said Commodore

New Zealand managing director Tim Edney.

But chances of buying one until next year are nil, unless you are one of the many users who have pre-ordered.

There may, in fact, be some fierce disputes ahead between Commodore distributors and their customers, as the initial shipment appears to have been over-subscribed.

Both machines are designed for attachment to the domestic colour television receiver, so removing the need for a visual display, one of the most expensive features of the "personal" computer. A purpose-built colour display is optionally available to head off family squabbles.

Colour is complemented by sound and graphics capabilities and a communications interface, allowing users — theo-

retically, at least — to set up private networks through their telephone lines.

Availability of the relatively inexpensive colour machines could at last bring a turnaround in the "hobby" market, to date confined chiefly to the well-off electronics enthusiast.

While an excellent tool for playing games, the small colour machines, agents point out, lend themselves to more serious educational and home budgeting uses.

One of the closest approaches to the Colour Computer/VIC scale among currently available equipment is the Atari range. The Atari 400 and the more recently released 800 are handled by the "other side" of the David Reid group, David Reid Electronics, which reports keen interest in the machines.

The company and its distri-

butors have sold more than 100 of the Atari machines since they were first brought here in late September. The vast majority have obviously been the less expensive 400.

With its simple touch-sensitive keyboard and limited capacity, the 400 is emphatically a hobby computer, designed for the person who wants to learn to program; the 800 is a "personal computer plus", with application to small business use, said a David Reid spokesman.

But at \$1295 and \$2695 respectively for a basic configuration, the 400 and 800 clearly approach the rather more well-off hobbyist than the new colour machines.

The Radio Shack colour computer will weigh in at \$699, while the Commodore VIC is selling at \$899.

